

JPRS-EER-88-018  
3 MARCH 1988



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# ***JPRS Report***

## **East Europe**

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JPRS-EER-88-018

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3 MARCH 1988

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## CZECHOSLOVAKIA

### Party Will Introduce Secret Ballot

24000045 Prague RUDE PRAVO in Czech  
30 Dec 87 pp 1-2

[Interview with Frantisek Klima, head of the Department for Development and Party Statutes of the Political-Organizational Section of the Central Committee of the CPCZ, by Vaclav Pergl: "Secret Elections—A Significant Contribution Toward the Development of Intraparty Democracy"; date and place not given]

[Text] The Secretariat of the Central Committee of the Communist Party of Czechoslovakia, at its session on 17 December 1987, discussed the procedure to be used in electing party organs and their officials at the annual party membership meetings of basic organizations, at all-plenary meetings, conferences, and at constituent meetings of party organizations during 1988. We are speaking about practical questions involved in cadre preparations for the annual membership meetings as they stem from the resolutions of the Secretariat of the CC CPCZ with the head of the Department for Development and Party Statutes of the Political-Organizational Section of the Central Committee of the CPCZ, Comrade Frantisek Klima.

[Question] It is generally known that, at the annual membership meetings of the party, both public balloting as well as secret elections will be utilized. Is this not in conflict with the current statutes of the party?

[Answer] No, it is not. The statutes of the CPCZ do not specify the method of election. This provides each party organization with the opportunity to decide whether balloting at annual meetings is to be public or secret. This is expressly specified in the resolution of the Presidium of the Central Committee of the CPCZ, dealing with annual membership meetings and party conferences in 1988 which has, in the interim, already been published in ZIVOT STRANY. In conjunction with the conclusions of the Fifth Session of the Central Committee of the CPCZ (the introductory speech by Comrade Gustav Husak), the Presidium of the Central Committee of the CPCZ thus also used this decision to express a broader effort to apply intraparty democracy. Party members and delegates will themselves decide how they will ballot.

[Question] However, many Communists draw attention to the fact that the credo of every Communist should be to always and everywhere adopt a public position. Why then secret balloting?

[Answer] This very question which says what should be stems from the fact that it is not always so. In other words, we must proceed from this reality. The open expression of opinions is not only a matter for individuals, it also depends on the type of environment and atmosphere which prevails in the party organization and

these factors are given by the level of intraparty democracy, by open and self-critical actions, by the degree of development in collective discussions and decisions in questions of party activity, and with respect to the realization of party policies. Secret balloting provides the opportunity to express one's position even where the requisite atmosphere thus far does not prevail. There is nothing undemocratic about secret ballots.

[Question] The method of balloting is to be decided by the annual membership meeting, the plenary session, or the party conference at the suggestion of the committee of the basic organization or the appropriate party organ which submits its proposal through the presidium of the conference. Is this not late, however? After all, the secret method entails a certain amount of administrative preparation.

[Answer] The annual membership meeting or the plenary session or the party conference must decide on the method of balloting at the beginning of its proceedings, together with electing a commission. However, there is nothing to prevent committees of basic organizations from ascertaining the views of Communists and party groups ahead of time, accordingly, from presenting the annual meeting with a proposal governing the method of balloting. As far as party conferences are concerned, existing party organs must prepare both alternatives for election because only the conference itself can make a definitive decision on the method of balloting.

[Question] However, this continues to leave us with the method of balloting which is very important, but, in the final analysis, only represents a culmination of the entire process of cadre preparation in new party organizations. How do things stand with respect to the cadre preparation of new organizations? What are the requirements levied upon members of party organizations?

[Answer] We have entered the period of struggle for the acceleration, the restructuring, and the democratization of society. If the party is to fulfill its leading role in society, if it is to be the motive force of this entire process, the composition of party organizations must shape the prerequisites for fulfilling this line. This presupposes that members of party organizations should be the most convinced fighters for restructuring, they should be experienced organizers, they should be devoted to the party and to socialism, they should be politically mature and morally firm Communists from all sectors of our life who have the authority and support not only of Communists but also of the working collectives. Party organs should correspond to the composition of the appropriate party organization; it is necessary to assure a systematic influx of new forces while preserving the continuity of management. To elect party organs capable of fulfilling the tasks of restructuring is the priority task of annual meetings and party conferences.



[Question] How is this to be achieved? Who makes the selection of candidates for new organizations? Do party members get the chance to participate in the selection?

[Answer] Responsibility for cadre preparation can rest with no one other than the existing committees of basic organizations and party organs. It is up to them to prepare a broader selection of candidates, of people capable of fulfilling demanding tasks of the current period. In so doing, they must respect the resolutions dealing with improving the quality of cadre work as adopted at the Seventh Session of the Central Committee and published in RUDE PRAVO, PRAVDA, and UJ SZO. This is a matter of deepening the share of Communists in basic organizations and in lower organs with respect to cadre preparation, with respect to informal collective evaluation of questions connected with the formation of party organs.

In practical terms, this is a matter of selecting a broader circle of candidates which stems from the demanding evaluation of the activities of existing members and candidate members of party organs, from proposals and recommendations of party groupings, partial and basic organizations, and lower party organs. The proposal of candidates for office in okres and kraj organizations must, essentially, be accompanied by a knowledge of the positions taken by their basic organizations, and that is not all. It becomes essential to know the opinion of people from the places of work and residence of the proposed candidates because only such officials who enjoy the confidence not only of the party organizations but also the authority and support of the working collectives can operate successfully.

In conjunction with the principle of democratic centralism, in conjunction with the cadre regulations and with the principles of cadre work, the selection of candidates will be participated in also by higher party organs. This is a matter of seeing to it that not only the actual act of balloting but the entire process of cadre preparation of new party organs would proceed with the participation of a wide circle of Communists and to assure that the opinions of the general public are also taken into account.

[Question] What does broader selection of candidates mean?

[Answer] For annual meetings and conferences, a broader circle of candidates than is the number of members of the organization to be elected must be selected. Basic organizations may already acquaint all members and candidate members prior to the annual meeting with those who are proposed for membership in the committee. At the party conferences, the opportunity exists for the election commission to submit a broader selection of candidates to all delegates and, on the basis of their opinions and reminders, to then compile a list of candidates to correspond to the required number of members of the organization. The work procedure of the

election commission will be prepared by the existing party organization and will be incorporated into the proposed agenda for the proceedings or into the election rules.

The number of members of committees of basic organizations, members and candidate members of all-enterprise organizations, of municipal and local committees is determined by okres committees; in the case of enterprise committees, determination is made by kraj committees. The specific number of members and candidate members of okres, kraj, and equivalent committees is determined by party conferences within the confines set by the resolution of the Presidium of the Central Committee of the CPCZ.

[Question] The Central Committee provided the opportunity to elect a larger number of members and candidate members of okres and kraj committees. What is being pursued by this tactic?

[Answer] The deepening of the collectivity of leadership, to enable a broader circle of comrades to participate in decisionmaking and in questions of party policy.

[Question] What is the task of the election commissions?

[Answer] To select from a broad circle of proposals which have been prepared by the current party organization, to select from a proposal on the composition of new committees. Apart from fulfilling the requirements to perform demanding work under current conditions, those nominated to okres committees must, in conjunction with the party statutes, have been members of the party for at least 4 years and those nominated to kraj committees, at least 5 years. Similar requirements also exist for membership in control and audit commissions. Members and candidate members nominated to party committees cannot, at the same time, be members of control and audit commissions at the same level of party development. Following suggestions and after the nominees approve the list of candidates of the election commission, the latter present the final list for approval to the organization in the specified numbers.

[Question] How will the secret balloting be conducted?

[Answer] The election commission will issue ballots to all members or delegates; the ballots will contain the names of nominees and candidate nominees to new party organizations. Disapproval is expressed by striking the appropriate name and surname of the nominated candidate. Write-in names will not be taken into account in view of the fact that party members or delegates have the opportunity of submitting their proposals to the elected election commission. Ballot slips are placed into a ballot box.

The election commission conducts the vote count and relates the results of the elections to the annual membership meeting, the plenary session, or the party conference. In the event one of the nominated candidates is not elected (in the event he did not obtain a majority of the votes of those present) the election commission will submit another nominee. In such a case it is possible, for technical as well as time reasons, to even select the method of public balloting.

[Question] Why must the election commission only submit the specified number of candidates for the new party organization in its final list of nominees?

[Answer] This is required by maintaining the specified number of members of the party organization involved. According to the party statutes, the one elected is the one who has obtained more than half of the votes of those present. It could happen that a larger than specified number of members of the organization could be elected.

[Question] A secret election means that the proceedings of the annual meeting or the conference must be interrupted to permit the election commission to count votes. Will this not be detrimental to the smoothness of the proceedings?

[Answer] If the election action is well-organized, this need not be. Annual meetings generally have breaks which can be utilized for counting votes. Besides, in public balloting, each candidate must be voted on separately. This takes a certain amount of time.

[Question] How will chairmen of party organizations, secretaries of party organs and their presidiums be elected?

[Answer] In accordance with the principle of democratic centralism and deep-rooted traditions, the election of chairmen or leading secretaries will be conducted and nominees presented by representatives of the superior party organization. The newly elected organ will decide on the method of balloting. The further direction of organs, the submission of proposals for the allocation of functions in committees of basic organizations will be taken over by the elected chairmen and proposals for the composition of presidia, secretariats, and the election of secretaries of party organizations will be submitted, with justifications, by the elected first secretaries.

The election of leading officials can be accomplished on the basis of the nomination for one or more candidates. In so doing, it is essential to avoid casualness, a subjective approach, and to assure that the candidates fulfill the prerequisites for carrying out the function and to see to it that their nominations have been discussed in harmony with the cadre proceedings and have been approved by the appropriate party organizations. In the event of nonelection, the elections are repeated at the next meeting of the organization.

The Secretariat of the Central Committee of the CPCZ approved the procedure to be used in electing party organs and their functionaries at annual membership meetings, at plenary sessions, at conferences, and at constituent meetings of party organizations in 1988, extracts from which will be published for the use of basic organizations in ZIVOT STRANY.

[Question] Thank you for this interview.

05911

**Restructuring Extolled as Patriotic Duty**  
24000041 Prague RUDE PRAVO in Czech  
29 Dec 87 p 1

[Excerpt] On 9 May 1945 our motherland was again entirely free. The construction period, which was also a complicated period, began. But anyone who thought honestly about this country stood among the ranks of those who restored the factories, railroad lines, and bridges, who set themselves the goal of giving up "a million hours to the republic," who made "the wheels roll" for the 2-year plan whose motto was "more work for the republic, that's our slogan."

After the February Revolution, the word motherland was also connected with construction efforts. Only those who made property more important to them than to the motherland stood aside or even caused damage. Some of them did not even hesitate to accept foreign payment to burn down cowsheds and haystacks, disrupt production, and threaten and murder true patriots.

Even today patriotism is closely connected with construction. We stand on the threshold of fulfilling important tasks which are connected with the restructuring of the economic mechanism and social life. As was emphasized at the 17th Congress of our party, the key question which is put before us at the current stage of development both from the internal and from the international viewpoints is the necessity of speeding up the social and economic development of our society and substantially increasing the performance and effectiveness of our national economy. The tasks which result from this even today have a deeply revolutionary impact. The main battlefield where the further successes of socialism will be decided is the economy. The further movement forward by our motherland depends on the results of our concrete work. To love one's motherland also means to place oneself in the forefront of this battle.

The main focus idea of our efforts is to achieve an increase in the people's standard of living and to strengthen their social security. We must create the conditions for satisfying the new, qualitatively higher needs of the citizens and for smooth development of individuals and intensification of the socialist lifestyle. All this will not happen without a growth in the active participation of the workers in the creation of social wealth.

The transition of our economy to the path of intensification is also a truly revolutionary task which is as serious today in its historical significance as socialist industrialization and collective agriculture were in the past. This is a fight against inertia and often also against an inability or unwillingness to change the familiar forms of work and to make the transition to the new methods corresponding to today's needs. This is a battle for each of us and a battle in each of us.

It is a matter of a patriotic task which one could compare with a task at any complicated period in our national history. In carrying it out it will not be necessary to demonstrate our love for our motherland at the risk of our lives and we will not have to defend it with the blood and happiness of a generation. Heroism will also have a totally different nature.

We are, therefore, concentrating in the ideological educational work on a thorough explanation of the tasks which result from the social and economic program of the party and we will devote more attention to such criteria as conscientiousness, honor, an honest relationship to duty, and responsibility to the collective. We will far more closely connect the expansion of our domestic policies and the international situation with the context which is taking place between socialism and capitalism.

We will pay more deliberate attention than we have up until now to education in the spirit of socialist patriotism and internationalism and from these standpoints we will evaluate the not entirely suitable curriculum of our schools, the content of cultural educational and training programs, and the content of creative artistic works.

An important role in this process will be played not only by the teachers, educators, workers in the cultural sectors, and social organizations, but also by the social science front, particularly history, whose results help to make clear the progressive tradition of our people and to understand socialism as the inevitable expression of the revolutionary struggle of the workers for national and social freedom and for patriotic and international education.

The motherland. This is the word which is able to make heroes of people in difficult times. And this is such a time; only the frontlines take a different form.

6285/9738

**Youth Convocation Discusses Alcohol Addiction**  
24000048b Prague SVET PRACE in Czech  
No 23, 1987 p 11

[Article by Jaroslav Jarkovsky: "Alcohol and Drugs Are Not the Solution"]

[Excerpts] The Advanced School of Finance and Accounting in the Hungarian city of Salgotarjan welcomed participants of the Summer Youth University

this year for the 13th time. Its program was aimed at questions having to do with the creation of healthy conditions of life for youth as one of the most important means of prevention of negative manifestations which threaten the healthy development of young people. Primarily, this was a matter of dealing with problems of protecting the health of youth against habituating substances, particularly alcohol and drugs.

The university was attended by around 260 young people from some 20 countries, primarily from Europe. However, not even delegations from the United States and Canada were missing, and there were representatives of the International Union of Students and, at the invitation of the Hungarian Trade Union Central (SZOT) representatives of trade union organizations from Bulgaria, Poland, Czechoslovakia, the USSR, West Germany, and Austria were also present.

The most voluminous block of discussed questions involved problems having to do with the consumption of alcohol.

Czechoslovakia also cannot avoid problems connected with negative manifestations which became the object of interest at the Summer Youth University.

In our country, families spend an average of one-fifth of all their expenditures for food on alcohol. Despite the fact that young people under 18 should not be drinking alcohol at all according to the law, the facts are different. Every 4th boy and every 15th girl between the ages of 15 and 17 consume alcohol occasionally. A full sixth of these young people in the sampling admitted that they get drunk at least once each month. On the other hand, however, two-thirds of the young people reject the idea that their progeny would marry a cured alcoholic.

In Czechoslovakia, nonalcoholic drug addiction is all the more dangerous because it primarily involves young people up to 30 years of age, but, in extreme cases, even children under 10 years of age. The health services have records of around 8,000 persons susceptible to nonalcohol addiction whereas in 1980 there were only 172 cases recorded. However, a ratio of one recorded addict for every five who are not recorded is estimated. The problems of treating these people are connected with an absolute shortage of space in specialized treatment centers and particularly with the high number of cases in which the victims themselves show a rejecting attitude toward treatment.

In comparison with nonsocialist states, the problem of drug addiction in our republic differs primarily in the abuse of habituating substances which have a lower degree of toxicity. Dependence upon heroin, cocaine, and other narcotic poisons has, for the time being, not undergone a massive expansion in our country. However, this does not diminish the danger in this area.



The exchange of opinions, information, and experiences helped not only to deepen the knowledge and understanding of the interrelationships of the drug problem in conjunction with problems experienced by youth, but also led to the establishment of a number of personal contacts. The next, 14th, Summer Youth University is expected to continue in this tradition. The selected topic of "Family and Youth" is a problem which is no less topical for the young generation.

05911

**Catholic Weekly Advises How To Avoid Refusal of Subscription**

24000048a Prague KATOLICKE NOVINY in Czech  
6 Dec 87 p 6

[Article by the editors: "Delivery Is Handled by the Postal Service"]

[Text] "I hereby apply for a subscription of one copy of KATOLICKE NOVINY, effective 1 January 1988. If it is even slightly possible, I request that you do not reject this application. I have already turned to the local post office in this matter, but with negative results...."

So much for an excerpt from a letter by V. Rysavy from Hlohovec. We receive several similar letters in the editorial offices. We are pleased that interest in our journal is growing, but we are distressed to note that the way of acquiring it is sometimes complicated.

How, then, should you proceed if you wish to become a subscriber to KATOLICKE NOVINY? Request your mailman to accept your subscription fee, or turn to your post office, or directly to the okres (obvod) administration of the Postal Newspaper Service. Because the press run of KATOLICKE NOVINY is not exhausted, customers can be satisfied immediately. Subscription fees must be accepted everywhere on Czechoslovak territory, that is to say even in Slovakia, without restriction. Parish offices can subscribe to the journal en masse for the use of their parishioners. For understandable reasons, the editors do not make arrangements for accepting subscription fees; this is the obligation of the exclusive distributor—the Postal Newspaper Service.

However, should your order be rejected, as happened to the author of the above letter, we will be happy to arrange for corrective action. Please inform any other possible interestees who are not subscribing to our journal at present of the possibilities of subscribing to KATOLICKE NOVINY (even for the period remaining in this year, and not only effective 1 January 1988).

05911

**New Weekly Published by Writers' Union**

24000044 Prague RUDE PRAVO in Czech  
28 Dec 87 p 5

[Interview with Karel Sys, editor-in-chief of the KMEN, the new independent periodical of the Union of Czech Writers, by KULTURA correspondent Frantisek Cinger: "Polemics, Principledness, Tolerance"; date and place not given]

[Text] During the 1st week of January, admirers of literature and culture in general will have available to them the first issue of the independent journal KMEN, the organ of the Union of Czech Writers, which has hitherto appeared as a supplement to the journal TVORBA. On this occasion we asked its editor-in-chief, the poet and publicist Karel Sys, for an interview.

[Question] Will the scope of the periodical change somehow?

[Answer] The advertising brochure promises a lot: In addition to literature, coverage will include music, television, film, theater, science fiction, foreign culture, humor, phonograph records, video.... It would seem that the scope compels us to fill the journal only with the best materials. Naturally, this is easily said. I believe that we, the writers, will have to activate ourselves very expressly.

[Question] And what about content?

[Answer] It is clear that we will alter the composition of the journal. Thus far, we regularly printed stories and poems, even when we could not afford any salt—and they were frequently unsalted. We tell ourselves: in the new KMEN, we will not be forced to harvest hairs from the palm of the hand. We shall give preference to literary thinking and, in general, to social thinking. We shall run public affairs items. Reportage materials. Two to three opinions with respect to one book or one event. Naturally, we do not wish to approach anything in a conformist manner—if an outstanding work were to appear, we would give it as much space as it requires, for example, we might even set it up for serialized reading.

[Question] How do you visualize the "activation" of writers?

[Answer] We would like to contribute to having literature see a return of discussions, polemics, principledness, but also tolerance and respect for the views of others. Sometimes, readers reproach us by telling us that polemics are overly personal. They are correct. We must learn to discuss—and that goes for all of us. I believe that the very essence of literature gives rise to the need for a literary work—and, thus also polemics which have been a budding genre in our country from way back—to show a significant personal and personality input. We have experienced more than enough nonpersonal polemics, as well as critical analyses without names, into which

anyone can read whatever they wish. But it is possible that time will show that what looked like cat-and-mouse saber-rattling will, ultimately, give rise to a serious dispute.

[Question] The ambition of KMEN then is....

[Answer] It is not the ambition of KMEN to have people believe everything we present, but that they should take our opinions into consideration. One cannot live on literature alone. We would like to bring about a situation which would give the Union of Czech Writers a platform in KMEN on which authors could express themselves even on other topics and, generally, on social changes.

[Question] So, for example....

[Answer] Interviews. The way they look for the most part today, not excluding KMEN? The questioner poses shallow-tongued questions pertaining to shallow events, for example, the favorite color of necktie of the interviewee, he disavows even those remainders of personality with which nature has endowed him. We want to continue with the line of interviews in which two partners participate. And we also wish to dismantle the system of mutual watchfulness: How come that X is in the newspaper again when he had an entire page last year on All Saints Day?

We had the idea of not only organizing roundtable discussions dealing with delicate topics, for example, literati versus critics, on enterprise law and publishing activities versus a beautiful but not necessarily a "best-seller" book, but to organize these discussions publicly with public participation.

[Question] And who has opened doors for you?

[Answer] KMEN took under its wings—and I hope that this does not sound overly boastful—and also educated a substantial number of young poets, writers of prose, and particularly critics, who are turning gray by now. Some, on the other hand, were turned away, but I believe that, to a certain extent, this also formed the true face of the times. It is symptomatic that those who were "turned away" nevertheless publish in its pages or are invited to publish in the journal, all the while jealously guarding their quiet monopolistic corners against us. But please, I believe that we shall all learn democracy. Experience teaches us that all generations and various views can stand well side by side; sometimes it is not even necessary to conclude a certain discussion; it is better to return to it after some time.

[Question] The Communist Party clearly states that restructuring must pertain to all spheres of life, not only economics, even though it directly influences even the work of writers. In other words, even culture.

[Answer] Whether we like it or not, there is an inclination toward social movement and opinions are being polarized. The reaction of our opponents to various discussion-type "marginal skirmishes" is instructive. Surprisingly, they accurately recognized what is at stake and resorted to excited eruptions. I believe that we have enough people in this country who have a positive program, who do not wear either pink or even black glasses. And that they have sufficient courage to solve every problem confronting our society.

The new climate in the Soviet Union aids not only us, but also the West and the world in general. It seems that, for the first time since the end of the war, the authors of science fiction will have to seek new, more optimistic ends for our civilization.

It is also time to return to recent history. As calmly and analytically as possible without unnecessary emotion. And, primarily, without sensations which so perturb viewers and listeners, particularly those who are not participating. If silence is maintained with respect to events, then history is changed into legend. And legend has no place in the practical life of a nation.

[Question] Thank you for this interview.

05911

## HUNGARY

### Deteriorating Medical Conditions and Blindness in Newborns

#### Disparate Radio Reports Contrasted

25000072 Budapest OTLET in Hungarian  
12 Nov 87 pp 10-11

[Separate interviews, first with Professor Janos Kizsel, head of the Perinatal Intensive Care Center at the No. 1 Obstetrics and Gynecological Clinic of the Semmelweis Medical University and his colleagues, and then with Professor Kizsel and Dr Bela Illes, Deputy Minister of Health: "Etherial Chronicle"]

[Text] Breaking with past practice, we have decided to reprint the full text of 2 reports aired on the political magazine segment of the radio program "168 hours." For although they were merely a week apart in time, they were considerably different in content. In the first report, we heard professor Janos Kizsel, head of the Perinatal Intensive Care Center of the No. 1 Obstetrics and Gynecology Clinic of the Semmelweis Medical University and his colleagues. The participants in the second conversation were professor Kizsel and Dr Bela Illes, Deputy Minister of Health.

24 October 1987

"...Katalin Rangos has set out to determine whether the fact that one-tenth of all premature infants go blind or suffer other permanent neurological damage was due to unavoidable factors, malpractice, negligence, or as it is sometimes put, to objective circumstances resulting from our economic situation.

[Question] At the beginning of the 1970s, when our demographic policy was on an ascending course resulting in significant increases in the number of births, only 15 to 20 children per year lost their sight. They were all infants who had to be kept in an incubator. Last year and the year before, when we had far fewer births, 100-110 infants left the incubator blind.

[Answer] These are very shocking statistics. I think that the figures need to be re-examined. At the same time it should be stressed that today there are far more underweight infants staying alive than before. With the establishment of the Perinatal Intensive Care Centers more than 10 years ago, we were given the means to keep alive and save underweight premature infants and newborns, particularly those with respiratory problems. This effort, regrettably, has also had some unfortunate side effects, including damage to the neurological system and the sense organs. Blindness is one such possible side effect. Unquestionably, high oxygen levels in the blood may be one of the contributing factors leading to eye damage, and in extreme cases to blindness.

[Question] According to the general secretary of the Alliance of the Blind, these children who had been in the incubator from birth went blind as a result of an oversupply of oxygen.

[Answer] Every incubator is equipped with an oxygen control apparatus. The availability of oxygen concentration monitoring devices, or oxygen monitors, needed to regulate the patient's oxygen intake is a different question altogether. Unfortunately there are some very serious deficiencies in this area. This is owing to the fact that we have few such monitors in our country and that, particularly recently, it has been very difficult, if not impossible, to procure the necessary components due to limited hard currency resources. This despite the fact that it would be absolutely vital to continuously monitor the oxygen concentration of our patients' blood. If it is not monitored, it is impossible to determine when the oxygen level becomes high which in extreme cases may lead to blindness.

[Question] I would think that institutions such as yours would be able to provide the best, or best possible care. Generally, hospitals where children are born and which have no prenatal centers such as yours cannot offer the kind of quality services and equipment that you are equipped to provide.

[Answer] You are right; however, I must tell you that even in our—quote-unquote—well-equipped center there are problems. This year, for example, to take the case of the oxygen monitors, we have not received the quantities we had requested. I have gotten a lot of calls asking us for help. Unfortunately, we as a national institution have neither the funds, nor the authority to disburse funds. Our function is merely advisory. And, well, use that to buy equipment. Right now we are in a situation where some of the monitors we use have actually had to be borrowed.

[Question] Where are you leasing them from?

[Answer] The Radiometer firm has loaned them to us. We have had one of their experts here about an hour ago informing us that next week they would be taking back this unit here. Then we will have still one less opportunity to monitor oxygen concentrations, and no way to measure carbon dioxide levels. This creates real dangers. The decision has been made on the ministerial level to discontinue central subsidies for these programs, and to make it the responsibility of every hospital and clinic to ensure that they have an adequate supply of monitors... Unfortunately, as it is evident from their quality of care and the condition of their monitors, they have been unable to secure such supplies.

[Question] The amount of funds earmarked for the procurement of non-reusable instruments has been the same for years, while prices have risen at an extremely rapid rate.

[Answer] Professor Kiszal has just mentioned that the worst discrepancies of supply have been in the area of non-reusable instruments, there is no money allotted for them. Imagine, for example, a probe or a catheter that needs to be changed 2-3 times a day per child. Unfortunately, no matter what KOJAL [Public Health and Contagious Disease Station] tells us, if I do not probe the child he will not stay alive. So we are forced to wash, re-disinfect and reuse them.

[Question] Even though this instrument is not suited for such use.

[Answer] Of course we are not supposed to do this, but what can the doctor standing by the bed do? It is easy for an administrator sitting behind a desk to mandate that a non-reusable instrument must not be used more than once. But the doctor at bedside who has no choice will reuse it 5 times if he has to, even risking possible infections or a visit by a contagious disease control inspector who will initiate disciplinary action against him if he is caught using that instrument more than once...



31 October 1987

[Question] Andras Fayer: I am surprised to see that Professor Kizel has also decided to join us. Has your opinion changed since the last time we talked?

[Answer] Professor Kizel: My opinion has not changed, but as I pointed out to you on your last show, there are also other factors besides the oxygen problem that contribute to causing blindness in premature infants. The role of oxygen is questionable. There are other risk and danger factors as well, including respiratory irregularities, chronic circulatory or so-called hemodynamic changes and serious infections which often begin during life in the womb. Blindness and damaged vision also have causes that first evolve during pregnancy: metabolic diseases, diabetes. If we look at the statistics in the most highly developed countries, where the conditions of intensive care are optimal in every respect, we find that even they have problems with this particular type of vision impairment and blindness. Despite constant monitoring, even in the best equipped centers the number of reported cases of eye damage leading to serious blindness has been 1-2 percent in the below 1,500 gram category. Our statistics are right here in front of me. The data for more than 600 premature infants kept on respirator. The ratio here is 2.5 percent. This—if we compare it with the previously mentioned number—is not so bad at all. As far as I know our other Perinatal Intensive Care Centers have had similar statistics.

[Question] Forgive me for saying so, professor, but it seems to me that you are talking a little differently from a week ago. So let me get it straight now; a week ago you were complaining about inadequate instruments, and the fact that you were having difficulties obtaining replacement supplies. You were also concerned that they would take away a piece of equipment that had been loaned to you, and did not categorically reject the possibility that this may have something to do with children going blind in the center under your direction.

[Answer] Undoubtedly, we are all concerned about the future. Presently, however, we are able to ensure the conditions necessary to provide modern intensive care. Although we do have difficulties, these are only temporary and can still be resolved with the help of leased equipment and scheduled maintenance. What tomorrow will bring, no one can tell. And this fear of the unknown which we all have is unquestionably real.

[Question] Correct me if I am wrong, but I have heard that last week, after the interview on "168 Hours," you had some kind of a meeting or professional discussion, what is the actual situation now?

[Answer] Bela Illes, Minister of Health: That is right, however, let me make a small correction in that it was not just after the interview that we decided to have professional discussions; we regularly meet with these experts. By experts I mean leading specialists of perinatal

institutions and centers around the country, who enable us to pay close attention to the problems that may arise in this area. We continue to be able to guarantee what regrettably was not made clear in your last report, namely, that neither in the Perinatal Intensive Care Center of the 1st Gynecological Clinic, nor in any other intensive centers around the country, including professor Kizel's practice has there been any documented cases of eye injury or complications resulting from ocular damage that could be attributed to the institution's inability to provide infants with the most optimal care possible. Of course it has taken more work, greater and more concentrated effort than if all conditions had been optimally given.

[Question] Are you telling us that so far we have not had a single infant born in a premature birth center go blind due to the lack or failure of an instrument, in other words, that this has never been the cause of such occurrences?

[Answer] Illes: I am convinced that is the case. In the course of our discussions with the specialists here it is often pointed out that in the absence of constant monitoring, some extra work, including more frequently drawn blood samples are adequate for determining blood oxygen levels. So I can assure the populace with a clear conscience that not only in the Perinatal Intensive Care Center, but also in the Coronaria monitoring care unit and in other places, we can responsibly and conscientiously guarantee that however difficult our conditions and the intermittent shortages of modern equipment facing us may be they cannot cause health damage or death.

[Question] Professor, how could you prove that your assertion, i.e., that not a single newborn has ever gone blind in your center or anywhere else in the country due to a lack of proper instruments, is true?

[Answer] As far as my own center is concerned, I can only tell you that what Deputy Minister Illes has told you is completely correct, whenever we are unable to monitor someone constantly we make up for it by way of blood tests, by taking frequent blood samples.

[Question] But how are we to interpret the data brought out in last week's broadcast, namely that we have been having 100-110 infants go blind every year? [Answer] Illes: We have checked these statistics. The number 100-110 refers to the number of children per year determined to be eligible to receive aid, financial assistance and allowances upon losing their sight for a variety of reasons. But, as professor Kizel already pointed out, these cases of blindness are inclusive of all causes the existence of the condition at birth and loss of vision connected with metabolic illnesses and accidents. Unfortunately we all know that eye damage suffered during childhood as a result of accidents is not uncommon. In our Intensive Care Centers 1,800 children are born every year in the under 1,500 gram category. According to the



data collected since 1977, the number of children who have gone blind for the reasons mentioned in connection with your report has been between 20-30 a year. This is actually below the average 2-percent level reported in the statistics of various countries of the world. And this is what I would base my second proof on. Although working under more difficult conditions, our specialists have been able to attain results that are even a little better than average.

[Answer] Kiszel: What can we do? We can work in close cooperation with our eye specialist colleagues who are knowledgeable in the field and closely monitor this high-risk population. If the danger signals can be recognized in time then this will enable us to identify the optimal time for surgical intervention.

**OTLET Criticizes Discrepancies, Contradictions**  
25000072 Budapest OTLET in Hungarian  
12 Nov 87 p 11

[Article by Ervin Cuzmadia: "Disquieting Reassurances"]

[Text] The host of the 24 October 1987 edition of the radio program "168 Hours" signed off at the end of the segment dealing with the alarming increase in the number of cases of blindness among premature infants with the following thought: He hoped that the listeners had a chance to hear the first part of the program which had been a kind of interpellation that would be followed in a week "by a statement from the competent authorities containing a reassuring response."

His hope, however, was only partially fulfilled. Although the Deputy Minister of Health did appear on the 31 October program, he failed to give the reassuring response that had been anticipated. Despite a second—and this time rather different—statement from Professor Kiszel, who had been interviewed on the first program, after listening to the opinions of these two experts I was still left without an answer to the most important question, why do premature infants go blind in our country?

In the second broadcast we were told that even in the best-equipped perinatal centers of the world, 1-2 percent of all premature infants lose their sight. Having the perfect technical equipment, we heard, was no guarantee that all premature infants would leave the incubator with their vision intact. Naturally, the fact that this is so does not give us much comfort; however, it is downright astounding that the deputy minister should dismiss as nonexistent the possibility that technical underdevelopment could (as it had been asserted in the first program) also be a contributing cause of blindness. His logic is as follows: technical conditions that may be lacking can be compensated for with extra work, greater effort and better concentration. His assertion also drew support from professor Kiszel who assured us that presently they were still able to guarantee the conditions necessary to provide modern intensive care.

One could, however, also cite a different kind of logic. For if even well-equipped centers find it difficult to eliminate this 1-2 percent blindness ratio, how can they expect to succeed in places where technical supplies are unsatisfactory, and where the only way to ensure—as the deputy minister put it—"the most optimal case possible," is through more work and illegal use of certain instruments (first broadcast). Maintaining this assertion, however, can create the impression that the key to finding a solution to the problem lies in how well the individual perinatal centers are able to organize their work. Although professor Kiszel did voice some concern about the future, they did not elaborate. Instead, the deputy minister tried to reassure the populace.

Those, however, who carefully listened to the two consecutive broadcasts immediately noted that one topic was painstakingly avoided in the second half of the sequence: the possibility of any responsibility to be borne by the government. In the introductory segment of the first program it was mentioned that when the perinatal intensive care centers were established in 1976, nine centers had received 100 million forints in state support, followed by two more allotments of 30 million forints each. Since then, however, times have changed, and today—as the expert from the National Institute of Hospital and Medical Technology explained—funds have become scarce. All of this is closely connected with the fact brought out also in the first program, that every hospital and clinic has been made to fend for itself in procuring equipment supplies and organizing their maintenance. Neither interviewee alluded in the second half to the possibility that this new strategy on the part of the state authorities may have played a role in creating equipment problems for our perinatal centers. (For it is obvious that the budgets of the individual centers are insufficient for ensuring that necessary instruments are procured.) We have heard nothing about what steps are being contemplated by the ministry in this area; or could it be that they still consider the entire matter to be the responsibility of the individual local centers?

Reassurances or no reassurances, to me all of this is difficult to comprehend.

Just as it is hard for me to understand the explanation regarding those 100-110 cases of blindness per year among premature infants. We learned that the figures were incorrect because they had included every cause of blindness, from eye damage developed while still in the womb to childhood accidents. The actual figure, we were informed, has been between 20-30 since 1977; in other words, this is how many premature infants have suffered eye damage due to a lack of oxygen monitors. In the first segment of the program, however, we had heard that there had never been a single documented case of blindness in our country caused by instrument problems. If so, then how are we to explain this number? One can only guess. It seems that the time still has not arrived when we can openly speak even about such things as, for example,

all the contributing factors of blindness among premature infants. There is one point, however, on which I definitely agree with professor Kiszel: I am, too, concerned about the future.

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## POLAND

### OPZZ Role in Promoting Reform Described

260000P94c Warsaw ZYCIE WARSZAWY in Polish  
2 Nov 87 pp 1, 4

[Pre-referendum interview with Dr. Wojciech Wisniewski, chairman, OPZZ Economic Commission, by Danieła Sielska: "Reform, Of Course"]

[Text] [Question] How do the trade unions respond when questioned about the realization of a radical program of economic reform? [Answer] Unions are obligated to speak for their members. That is why they will soon be holding advisory meetings. I think that the working community has long expected fundamental changes in the functioning of our economy which is marked by total incoherence, inability and paradox. That is why we have always said "reform, of course." The only problem is that we must confirm the credibility of the means we aim to use and assure ourselves of their efficiency and eventual results. Unfortunately, we all remember the unsuccessful attempts at reform made over the last 40 years. Therefore, the main obstacles to reform could be lack of public support and faith. How can we prevent failure? I think that we must undertake rapid and even spectacular but fruitful enterprises. Since the premier said that everything not forbidden is allowed, let us eliminate regulations that do not permit this principle to be implemented. If we look at the bottlenecks formed by economic law, it might seem that almost everything is forbidden and what does that mean for the reform motto of growth of enterprise? We must, therefore, destroy the petrified legal machine. [Question] Is it not true that Poland is the easiest place to change laws? We have heard that the instability of our laws often causes great problems to our enterprises. Maybe the most important thing would then be to create the sort of clear-cut economic principles that could deactivate all obstructing norms and orders?

[Answer] That is just what I had in mind. I would use the hackneyed word of mechanisms because it gives a good sense of what we aim to do—to create clear-cut and cohesive mechanisms that embrace all sectors of the economy. Such a package of propositions can be found in the government's program which stipulates independence for enterprises, allows equal rights to various sectors and acknowledges the market as the chief regulator of the economy. This serves to liberalize economic life and that is its great value.

Naturally, we must think about whether these mechanisms are sufficient. It is certain that discussion in many competent circles will lead to changes in the program. We must, for example, decide whether or not deeper changes must be made to the economic structure. In my opinion, this is the very perspective from which we must verify the National Social and Economic Plan which was created under somewhat different systemic conditions. For example, the 5-year investment program predetermines how resources will be allotted. Meanwhile, we must create not only legal but also material conditions for shifting capital to where it can be more effectively used at a given moment. The trade unions have long suggested the need to increase funding for consumer production, housing construction and services.

[Question] However, this gets down to the old problem of robbing Peter to pay Paul.

[Answer] I think we have a better field of maneuver than that. For example, let us look at the power industry. Investments are chiefly made to increase production rather than to conserve energy as in developed countries. According to the old way of thinking, we can force the construction of new coal mines but would it not be more efficient to find ways to use more efficient power technology? For example, we could better insulate buildings and in our boilers, we could burn other fuels than just coal. Furthermore, we now know that half of the heat energy from a boiler goes up in smoke. We must, therefore, take effective action to overcome waste. That too will affect reform. Here is another example from a somewhat different area, the tax system. In my opinion, the present system is simply catastrophic, restricts enterprise, takes profits from out of the hands of good workers and rewards the incompetent. This is something that must be changed at once.

[Question] Will unions be taking a serious look at how we protect our standard of living, pricing problems and individual incomes?

[Answer] There are still no specific proposals in that regard. However, the Sejm and government have already made it a part of economic plans to keep the public's standard of living from dropping any further. In the economic reform program and in answers to questions about the referendum, compensation has been mentioned along with the possibility of giving much better wages for good work. I think that the unions will take special care to see that there is a proper ratio between prices and income and that there will not be any compromises that hurt worker buying power. We are also obligated to see this through by the resolution of the Congress of Trade Unions and for that same reason, we will carefully observe price changes although what we are really interested in is how they affect the standard of living of working people.

Prices are a sensitive issue because the increases up to now have in my opinion only limited demand. This was, therefore, a quick fix and had no strong effect on the general improvement of the economy. If prices are to become an economic regulator, they must make themselves felt on the market and for that reason, we must work hard to restore the market. It seems that this goal can be well served by the planned number of economic enterprises, the growth of small enterprises, the giving of equal rights to all sectors and the freedom of cash flow. Prices are also made more realistic thanks to the market. Bad pricing has a very bad effect on calculating the efficiency of various branches, on shaping the economic structure and on the direction of investments. For a full decade now, we have based our entire cost accounting on prices pulled out of thin air. However, this time it seems that the regulation of prices will serve a greater goal and that is to encourage changes in new economic rules and clear the way for reform. The government should convince the public that that is indeed the goal of the regulation of prices. We must show that this time, not only will prices be changed but they will be changed so thoroughly that they can help achieve a breakthrough in all spheres of the economy.

[Question] Can there really be any guarantee of this? After all, economic activity carries an element of risk even in much better circumstances than ours.

[Answer] Obviously, there is no 100-percent guarantee that it will work but it can increase the possibility that new economic principles will be introduced. Before the very start, it can, therefore, fill in all the loopholes of the reform program. No less important is gaining the support of the public. It would be good to win influential self-management activists, social organizations, economists, engineers and public writers over to reform and the government's program. Maybe that would activate social forces to somehow promote reform and overcome the opposition that is not at all as weak as it seems.

[Question] Are the trade unions supposed to be, let us say, a lobby for reform?

[Answer] For a long time, the union movement has declared its dislike of the management methods used up to now and that is why they have supported reform for so long. However, they must have their own opinion about the proposed ideas and their own concept of how to shape prices and incomes. Unionists should also work out their own strategy for participating in the changes, for supporting the new ideas and for opposing conservative forces. Our movement can play a major role in the struggle to educate the public about the changes taking place not only in Poland but also in the Soviet Union and other socialist countries and in defending the radical reconstruction of the principles of political and economic life. This is the one way we can meet the demands of contemporary life.

### Worker Attitudes on Technological Progress, Reform

26000100a Warsaw ZYCIE WARSZAWY in Polish  
6 Nov 87 p 3

[Article by Zbigniew Wojtasinski: "Workers, Reform, Progress"]

[Text] To an ever-increasing extent, contemporary economic growth is spurred by scientific and technical progress. This is accepted as an unquestionable fact by anyone wanting to compete on the world market and offer the highest quality products. However, more is needed than just the introduction of new equipment, new technical ideas, etc. The proper training of workers directly involved in production work is on its own also not enough. As the experience of the world's most highly industrialized countries has shown, workers themselves must be aware of just what technical progress means. Furthermore, they must take an active part in the process. How does this situation look in Poland?

Specialists from the PZPR Social Sciences Academy's Institute of the Study of the Working Class have tried to answer a series of questions connected with this issue. This was one of the topics of a recent report entitled "Workers, reform and reality" from the cyclic work "Polish workers." However, there is no way we can talk about scientific and technical progress in our country without looking at the present economic reform. Therefore, we can somewhat alter the question by asking whether worker awareness of technological progress constitutes a barrier to progress itself and to the realization of reform. How do the workers view the influence reform has had on technical progress and how do they perceive these barriers?

In the opinion of the report's authors, in their regional and industrial perspective, the results are representative of the entire population studied by the work. More than 1800 persons workers employed in 8 key Polish industries were studied.

General worker views on the influence of economic reform on technological progress in their places of work is a key issue. Unfortunately, this is an area that does not look too promising. Most of the respondents state that the reform has either not caused any changes in production methods and product quality or that the influence has been only slight and the percentages expressing these views were 32.5 and 34 percent, respectively. At the same time, an astoundingly large number of respondents, some 21 percent, had no opinion on the subject. Only 7.6 percent stated that there had been fundamental technological changes and more than 4 percent felt that reform has significantly worsened product quality.

This assessment can vary a great deal in relation to the economic situation of the given enterprise. In firms considered by their own workers to be in a good economic situation, there were twice as many respondents



that felt that reform has had a beneficial effect on product quality as in firms considered by their own workers to be in a bad financial situation. The first group 7 times more often sees the fundamental influence of reform on technological changes in their products.

This brings us to the question of whether the awareness of the working class reflects the idea that industrialization and urbanization are stimulated by technical progress under reform. The studies show that this is true only to a slight degree. The report's authors state, for example, that the different degrees of industrialization in central, southern and southeastern regions are not substantial enough to justify the differences in worker opinions that the report ascertained. The greatest lack of technological progress in workplaces was noted by respondents in the northern region of Poland while the least lack of progress was noted in the central region with a level of industrialization similar to that of the North.

Views about the reform's influence on technological progress are much more varied according to the respondents' level of education, social background or place of work or residence. Here are several examples.

Employees of peasant or of first-generation blue-collar background were most critical of the technological progress at their places of work. A more positive assessment of these changes was given by blue-collar workers and even more so by workers from a white-collar background (the percentages of positive responses were 33, 33.6 and 47.5 percent, respectively). Respondents with primary educations gave the weakest response. This same group also failed to perceive any such problem at their place of work. However, as the level of a respondent's education increases, so does his interest in technological progress and production modernization. Workers with secondary vocational educations had the most positive attitude about these changes. The authors of the report felt certain that this group's broader understanding of technology was responsible for this difference in opinion.

Worker attitudes toward technological progress is strongly influenced by where they live. As the studies showed, the industrial working class was most critical of the reform's influence on progress. According to the authors, this may be the result of the fact that they have a better understanding of the interactions between the different segments of industry because their jobs give them an inside view of how the system works. However, is their attitude also not shaped by the fact that they have higher expectations for reform and technological progress?

Should we take a positive or negative view of the results of the studies of technological progress made under the reform? Let us listen to what the report's authors say. In their opinion, no unequivocal answer can be given. However, the specialists insist that the lack of clear progress in this area and its effects on worker attitudes

must be recognized as a substantial fault in this phase of economic reform. We will add that these studies were conducted during the fifth year of reform.

At the same time, the study's results show that worker awareness is not all that great a barrier to technological progress in enterprises. In many industries, the respondents have in spite of all other problems seen some progress. Of course, this depends not only on whether workers are generally interested in progress but also on just what sort of progress has been achieved in a given enterprise. Worker awareness and production modernization exert have a mutual influence on each other.

Worker attitudes vary from one industry to another. Thus, it is in the metallurgical, chemical and mineral industries that the least number of workers feel that reform has had an influence on product quality. A slight improvement in product quality was perceived by 28 percent of the respondents in the metallurgical industry, 28.8 percent in the mineral industry and 44 percent in the chemical industry. However, in none of the 8 key industries did more than 50 percent of the respondents feel that reform had had the slightest influence on progress. However, it is also no coincidence that the authors state that workers in the chemical industry are the ones that most often associate reform and progress because aside from the fertilizer branch, chemistry is the very industry in which reform principles such as self-financing have been realized to the greatest degree. Statistical analyses indicate that economic reform has been weakest in the metallurgical industry.

In conclusion, it can be said that the influence of reform on technological progress has made itself felt fairly strongly in worker awareness and outstrips the real extent of the modernization processes in industry. The proof of this is also the recent awakening of worker interest in innovations. However, on the other hand, studies have shown the emergence of many barriers to innovation in enterprises and this too has made itself felt in the awareness of the workers employed at these enterprises.

What then do the workers think are the greatest barriers to progress in Poland? The highest percentage, 21.9 percent of respondents, blame a lack of foreign currency to purchase needed imports. 21.7 percent blame lack of motivation and expectations that plant directors and management take an innovative stance, 17.5 percent point out the type of bad work organization which does not encourage technological progress and 12.2 percent spoke about objective obstacles to modernization like a lack of financial resources and impractical legal restrictions. Some 10.5 percent also feel that the present crisis makes it impossible to effectively modernize production processes. Meanwhile, 25 percent of respondents felt that the technical and technological situation in their enterprise was a good one that encourages the introduction of all needed changes but that these changes have not always taken place.

12261

**National Conference on Nuclear Energy in Poznan**  
26000094b Warsaw RZECZPOSPOLITA in Polish  
9 Nov 87 p 2

[Unattributed article: "Development of Nuclear Energy"]

[Text] "Nuclear Energy—Man—Environment" were the chief themes of a three-day national scientific conference that ended on 7 November in Poznan. It was attended by scientists including representatives from design institutes and construction enterprises that will be building Poland's second nuclear power plant, the Warta. Much attention was devoted to directions for the growth of nuclear energy in Poland, safety factors in the location of nuclear power plants, issues in the construction of the Zarnowiec and Warta plants and the methods, principles and location of nuclear waste dumps. It was said that there should be a campaign to educate the Polish public about nuclear energy because much emotion and controversy is caused by lack of knowledge about this form of energy. 12261

**Nieborow Hosts International Ecological Conference**

26000094a Warsaw RZECZPOSPOLITA in Polish  
9 Nov 87 p 2

[Unattributed article: "International Meeting of Ecologists"]

[Text] On 8 November, at the conclusion of a three-day meeting in Nieborow of scientists from 7 European states, it was stated that new solutions are needed to decrease toxic gas and particulates emissions that are increasingly degrading our natural environment.

Participants devoted much time to the problems of preserving the natural biological equilibrium, to compliance with the laws governing the biosphere and to the need to increase international actions to prevent environmental degradation.

12261

**Congress Views Philosopher's Sociopolitical Role**  
26000100b Warsaw TRYBUNA LUDU in Polish  
6 Nov 87 p 3

[Interview with Professor Dr. Jozef Lipiec, chairman, Program and Organizational Committee of the 5th Congress on Polish Philosophy, by Marek Jaworski: "A Philosophy for the Future"]

[Excerpts] [Question] You are chairman of the Program and Organizational Committee of the 5th Congress on Polish Philosophy which will be held in Krakow on 9-12 November this year. This congress will bring together representatives of all academic centers in Poland and

from the most diverse schools and fields of philosophy. Events of this type have a rich tradition in Poland. There were three such congress held in Poland before World War II and this is the second postwar congress. What can we expect the congress to produce?

[Answer] The greatest achievement will be the fact that this congress is actually taking place because meetings of philosophical organizations are the hardest of all to arrange.

As we know, the prewar congresses gathered a constellation of the stars of Polish philosophy who as history shows us, have become great figures in European or world philosophy. This is especially true of the philosophers of the Lwow-Warsaw school and the phenomenologists. If we consider the fact that there were fairly frequent prewar congresses and that up to now there has been just one postwar congress, the Lublin congress of 1977, then we must admit that this is a highly important achievement of the entire philosophical community.

Our congress was made necessary by the new conditions that have come into being and that have now presented philosophers with several important issues. This is a challenge posed by the present world situation, man's place in the world and the situation in Poland. It is no coincidence that the slogan for this congress is "A Philosophy for the Future."

This congress will bring together nearly 350 of the most famous philosophers representing all fields and orientations of philosophy and who have shaped the image of philosophy in Poland. This is a multifaceted group of people, one that is not without its own tensions and disagreements but one also united by its very Polishness.

[Question] Aside from Marxism, which philosophical trends are most important?

[Answer] Unquestionably, Catholicism takes the forefront. Although it is not a unified direction because aside from Thomists, there are also Catholic philosophers closer to personalism and phenomenology or the traditions of the Lwow-Warsaw school. As we know, Marxism in Poland is also not united; the congress will see representatives from its various schools of thought.

There are sometimes precipitous differences among Polish philosophers but all are nonetheless united by a common Polish language of philosophy. We have all had the same experiences and it is only our conclusions that differ. Until recently perhaps, we did not know about this homogeneous bedrock that we share. The situation has often reminded one of a panorama of several fortified camps concentrating chiefly on their own internal life while occasionally firing a polemical and poorly aimed shot at one another. The representatives of these camps usually met at international congresses and conferences and had only sporadic contact with each other in Poland. The situation has now reached a point where

everyone is seemingly willing to meet. No one asks where others come from and everyone declares their willingness to participate in the congress and have a similar feeling of responsibility for the topic and an appreciation of the importance of the issue.

[Question] The congress has a very rich program. Can you tell our readers something about it?

[Answer] The congress will really have a wealth of intellectual content. Within the few days the congress is being held, there will be presented 160 reports and academic communiques, many of which will obviously have to be abridged and later published in their entirety in various journals.

Group discussions will most certainly be aimed at examining various realms of philosophy as they apply to reality in the many senses of that word. Another matter is that philosophers can and should prepare reports and answers useful to politicians, organizers of social life, educators, etc. They should provide advice in certain matters presently handled by amateurs. They should purify the language of terms that are incorrectly used.

The richness of themes and problems may be regarded by some as a shortcoming but all of these issues are too important to be easily dropped. It is certain that the congress will resolve that there is a need for more frequent organization of such philosophical meetings.

The congress will be open in nature and that will undoubtedly have a very beneficial influence on its results. There is no harm in the fact that there will be differences of opinion in many matters nor that different answers will be given to many questions because this will be a congress of questions rather than answers. After all, questions are what philosophy is all about.

[Question] Is this openness also not a sign of the congress's spanning of the generation gap? Will young philosophers be present?

[Answer] Yes, aside from professors of all universities and older people of well-known achievements, there will also be a large group of young philosophers and distinguished students. One good thing about the congress is the fact that there will be people who took part in a similar congress in Krakow in 1936. Therefore, a half a century will have been spanned.

12261

**Teen Youth Query PZPR Secretary on Reforms**  
26000112a Warsaw TRYBUNA LUDU in Polish  
17 Nov 87 p 7

[Unattributed article: "Meeting at the 'Vanguard 21st Century' Club—Youth and Reform"]

[Text] The Warsaw "Vanguard 21st Century" Middle School Youth Club has been active since April. At their monthly meeting on 16 November, Deputy Politburo

member and First Secretary of the Warsaw Voivodship PZPR Committee Janusz Kubasiewicz met with a group of senior-class pupils. Here are some of the questions and answers noted by our PAP [Polish Press Agency] correspondent:

[Question] What is the basis for calculations that our living conditions and economy will improve within 2-3 years instead of 10?

[Answer] Reform has been under preparation for several years by many experts. If the plans set for that period are realized, then we can naturally expect the economy to grow.

[Question] About 90 percent of directors are party members. Will party membership continue to be important in gaining a managerial position?

[Answer] No. The number of party members that are directors has dropped considerably. What we want is for a person's competence and experience to determine their promotion to a responsible position and this has found its expression in the growing number of competitions for promotion at places of employment.

[Question] The premises for the second stage of economic reform say much about directors being managers. What will be done so that directors will no longer be hindered by bans and for them to be able to make decisions without waiting for the approval of higher authorities or worker's councils?

[Answer] Work is being done on a bill for a new law on the status of directors. This will also make it necessary to change the law on enterprises, worker's councils and worker self-management.

[Question] What is being done for the best graduates of higher schools? Theoretically, they receive various preferences but we all know how it really works. My other question is what do you think of the fact that a young doctor earns two and three times less than a vocational school graduate in a blue-collar job?

[Answer] A different approach must be taken to graduates of higher schools who are sometimes better than the people who work for them. A long and arduous process has been started to change this.

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## YUGOSLAVIA

### Belgrade LC Leader Interviewed on Turmoil in Serbia

28000065 Belgrade NEDELJNE INFORMATIVNE NOVINE in Serbo-Croatian 27 Dec 87 pp 14-18

[Interview with Rados Smiljkovic, chairman of the City Committee of the Belgrade Organization of the League of Communists, by Predrag Vukovic, acting editor-in-chief, and Stevan Niksic, political editor, both of NIN: "Just Let Everyone Do His Own Job"; date and place not given]

[Text] Political action in the Serbian League of Commu-



nists over the last several months has beyond any doubt been a topic of the first order in the country's political life. Within that context what has been happening in Belgrade and its party organization, the largest city party organization in the country, is very characteristic and very important.

Dr Rados Smiljkovic, professor in the political science department of Belgrade University and the newly elected chairman of the City Committee of the Belgrade Organization of the League of Communists, received Predrag Vukovic, acting editor-in-chief of NIN, and Stevan Niksic, political editor, and answered questions which concerned above all the course and character of current political action in Belgrade and in the League of Communists of Serbia.

NIN: Upon coming to head the City Committee of the Belgrade Organization of the League of Communists, you recently expressed the opinion that the city committee stood at a crossroads. What did you have in mind when you said that?

Smiljkovic: The main task facing society and above all the working class and the League of Communists is to solve the problem of getting out of the crisis. The grave economic situation in Belgrade demands mobilization of all forces on the key issues—restructuring the economy, reducing unemployment, speeding up housing construction, improving transportation, and so on. A different orientation of social welfare policy would also be included here. That means that the Belgrade Organization of the LC must be the driving force behind solution of the city's vital problems.

At the same time, the city committee is striving to reaffirm methods of activity of its members and members of the LC within the Belgrade Organization of the LC as a whole, so that they make themselves evident as the most inventive figures in basic organizations and government bodies, and then in the economy and in society. We need the kind of activity that will stimulate and mobilize the activities of government bodies, public organizations, self-management bodies, and delegate assemblies. However, the city committee must not replace other institutions and official agencies in the city. With respect to methods of operation, a clear difference has to be seen between the League of Communists and the bodies of other sociopolitical organizations, especially government agencies and bodies of self-management.

The internal activity of the committee presupposes direct democratic linkage of its working bodies. There is a need for greater reliance on the activity of commissions, working groups, and other forms of organization, and much greater reliance of them altogether on the results of professional and scientific work. More direct communication ought to be established with opstina committees both in the process of implementing policy and carrying out decisions as well as in the process of

establishing them. Above all there is a need for a new spirit of comradely cooperation and trust in the city committee and its bodies. This should be an example for other bodies and for the entire organization of the League of Communists in the city. It is very important for the city committee to constantly confirm itself as a collective body whose ambition is to develop the prerequisites for vigorous action of all party members and of their basic organizations in the city, not to attempt to prove that it is on a level with the Central Committee.

[Question] What is implied by the position of the head of an organization which has 240,000 members of the party, and what obligations come with that position?

[Answer] I feel the responsibility. But then I always did have a sense of responsibility in the party and to the party. The greater my obligations have been in the League of Communists, the stronger my sense of responsibility has been. It is greater now than ever before. But not only because of the office, but because I feel that the League of Communists today, because of the great problems in society, is responsible for its destiny, because it must act as the principal vehicle of the ideas and the practice that will take us out of the crisis. The position which I hold obligates me to take part in creation of that kind of policy of the League of Communists, and I desire that with my whole being.

### The Party and the Crisis

In my work I expect the support and equal cooperation both of the Presidium which has been working ever more effectively as a body of comrades bound to one another and also that of the committee and of all party members in Belgrade. Incidentally, it is only in that way that duties can be successfully discharged—if we all fulfill the obligations which we have taken on voluntarily. If everyone makes a maximum and honest effort in the position he holds in the League of Communists and in society, then results cannot fail to appear. I am not saying that the solution is simple, but an important part of it lies in the readiness of party members to help their society and the League of Communists, both professionally and politically, to conquer the crisis which I truly believe is a temporary one.

[Question] Do you feel that under the conditions of the social crisis and of everything that goes under that heading today the question of the concept of the party, of the relation between the party and society, should be placed on the agenda once again? How do you look on that problem from the position you now hold?

[Answer] The crisis has raised the question of performance of the role of the League of Communists as the leading ideological-guiding force of the working class and of society. It has actually raised it at several levels.



At the level of practical politics the working people and citizens, especially the workers, are demanding that the League of Communists be a decisive factor in resolving the social crisis. They feel that without its vigorous activity no major issue can be resolved. However, this also precludes the idea of pushing self-management bodies into the background. On the contrary, even a superficial analysis of the real demands of the working people and citizens indicates that more self-management is being demanded. But a more optimum process of decisionmaking is being demanded, greater effectiveness in the work of all bodies, and most of all greater communist responsibility.

The acuteness of the social problems demands reaffirmation of the most revolutionary theses of Marxist theory as well as of the most important achievements of the Yugoslav socialist revolution. Here I am thinking above all of the Marxist concept of the class and of the party in the "great historical sense." Getting out of this deep social crisis demands exceptional efforts in ideological-and-theoretical conceptualization of the future, in which the interests of the working class and the general interests of Yugoslavia, as a community of equal nationalities and ethnic minorities, must take priority.

As is usually the case in exceptional historical situations, the organizational issue has broken through to the top of ideological activity. It has been empirically demonstrated that the League of Communists is not suited by decisions and behavior which directly and indirectly stimulate federalization, since it engenders most directly disintegrative tendencies in all domains of the life of society. The topical relevance of democratization of internal relations in the League of Communists has been thrusting several issues to the surface. It is becoming evident that solutions cannot be found in the arsenals of the old theories, but under new conditions of the activity of the LCY. They must also be in line with the demands for vigorous action of all the progressive forces of society.

[Question] People who have a hard life and are waiting for the accumulated problems to be solved are sometimes inclined to think that the party should take everything "into its own hands," and as though by "some magic wand" solve everything, and everything will be better. Others who shrink from that are inclined to commit themselves to the other extreme. How is the fight to be waged against the opportunism of some and at the same time to avoid the trap where the party takes everything into its own hands, even what is not appropriate to it?

[Answer] The solution must be sought in better organized and more purposive effort by all participants in production and creativity. There is a need to displace the content of consciousness that it is possible to live comfortably without working. The waiting around for something to change thanks to a miracle is particularly harmful to social development. There is no one who can work in the name of all and rescue development from its

problems like a car which has gone off the road. This cannot be done even by the League of Communists unless other principles are active. That is why the main lines of discussion in the present debates in the League of Communists of Belgrade instill confidence.

At issue are demands for putting an end to opportunistic and conformist behavior. Once again the issue is being raised in the rank and file of the LC of halting trends both of Social Democratization and also of bureaucratization of its identity. There is particularly strong resistance to the penetration of nationalistic and regionalistic tendencies under the cover of demands for democratization.

If an examination that is at all careful is made of the background of the alleged demand that the party be a debating society, it will be seen that the desires of protagonists of this idea are much more concrete with respect to power. Incidentally, the very person who was the first to launch that thesis in our country has to this very day never ceased to fight for power. After all, if someone really wants confrontation of opinions and true debate, we have had no shortage of that either in society or within the League of Communists.

#### What About "Awakened" Energy

[Question] The present debate in the Serbian LC concerning the 8th Meeting of the Serbian LC Central Committee, just like the debate in the entire League of Communists of Yugoslavia concerning the 13th Meeting of the LCY Central Committee, has set in motion and "awakened" specific political energy of great intensity. How in your opinion should that energy be directed over the long term?

[Answer] We are talking about an immense potential and readiness for action. They should be directed above all toward resolving society's economic problems. There is a need for much greater effort in production of physical goods and in the creation of nonmaterial values.

As for the style and method of the activity of party members in the processes and relations of self-management, it is indispensable that they prove themselves through the progressive content which they affirm. In the actual performance of the decisions of bodies of self-management they have a duty to see that they are carried out.

Certain issues concerning reaffirmation of work, employment relations and creativity, and the standard of living of the working people and citizens need to be resolved with the greatest urgency. There is a need for the government and bodies of self-management to function in line with the demands of a modern society. In overcoming anarchy and the threat to the elementary

rights of people in certain communities there is an indispensable need for resolute action, above all by party members, so as to prevent a further departure from self-management.

[Question] Does that mean that we are talking about a guidance above all in the direction of the proclaimed programmatic goals of the LCY?

[Answer] Right. The potential is there, and the energy is there. It was awakened by the 13th Meeting of the LCY Central Committee. However, it seems that there has not been the necessary consensus in all the bodies of leadership, nor the knowledge as to how the demands of the members should be transformed into action. Some were afraid of the demand for unity in the LCY and the demand for changes.

[Question] Is there a danger that this will happen again in spite of the energy set in motion and "awakened" by the Eighth Meeting of the Serbian LC Central Committee?

[Answer] There is no such danger. What was demanded in the debate at the time of the 13th Meeting of the LCY Central Committee, but was not realized, is actually being realized in Serbia following the Eighth Plenum of the Serbian LC Central Committee.

In the party community and the broadest social public it is well-known that in the discussion concerning the conclusions of the 13th Meeting of the LCY Central Committee two basic themes were dominant—unity and responsibility. In the League of Communists of Serbia we began to achieve that with the Eighth Meeting of the Serbian LC Central Committee: we have been establishing unity in resolving the most important issues (the economic crisis, the counterrevolution in Kosovo, the changes in the political system), we have been demanding responsibility for failure to carry out the policy to which we are committed and the tasks we have assumed. It is especially important that the demands of the membership are beginning to be met first of all at the top. So far the question of responsibility has mainly been resolved no further down than to the director of the work organization and committee secretary. The conclusion should not, of course, be drawn that the demand for responsibility should stop at that level. It is essential that the leadership of Serbia demonstrate by its example that there must be an end to the policy of opportunism, permissiveness, and foot-dragging. We simply no longer have the time or the right to do that.

Specific actions and results are being demanded. No one any longer possesses a "blank check" of confidence.

[Question] It seems that we might say now in the year devoted to Vuk: "The essential thing is not that we meet together, but what we create when we get there." After all, there will be broader and individual tests to be got through. Do you agree?

[Answer] Yes. I do agree.

[Question] Is there a danger that that energy we have been talking about and which is manifesting itself more and more in the broader space of Yugoslavia will be abused and directed in the opposite direction from the proclaimed programmatic goals of the LC?

[Answer] This question actually offers an opportunity and a challenge for deeper analysis of social and political relations in Yugoslavia. For a long time now we have not been successful in resolving the basic issues concerning the political system; we have not been successful in putting life in the Economic Stabilization Program, not to mention the other neuralgic points of society.

In the kind of development we have had in the sphere of the economy, the political system, culture, and science—I am referring to the chopping up of the unified space of Yugoslavia—forces have emerged which want to take society backward. Tendencies have slowly been created on that basis for strengthening the process of exclusiveness of the republics and provinces—and so on. Some of those forces are even within the League of Communists.

In answering that question I set myself another question: If Yugoslavia has been able like the phoenix from the ashes to be born out of the revolution and out of war, if it was able to survive and develop after 1948 on the foundations of self-management, why is it unable today to solve its problems? All our troubles notwithstanding, we have never had richer economic potential and more able human forces.

[Question] After the 8th Meeting of the Serbian LC Central Committee and the 10th Meeting of the City Committee of the Belgrade Organization of the League of Communists the question arises: What is the essential purport of the differentiation which is taking place and of the insistence on the principle of democratic centralism in practice?

[Answer] Some of the definitions of the purport of the differentiation taking place follow from what we have already been talking about. I must say something about differentiation. It is surprising that a portion of the public has certain confused ideas about differentiation. Viewed from today's vantage point it seems that this is some new phenomenon, but differentiation is something that is characteristic of all political societies. It is a term and phenomenon characteristic not only of the sphere of politics, but also of other spheres of life and work. We actually do not have a better expression for that phenomenon, so that we took it over from the political vocabulary of western Europe.

In the domain of work people are differentiated into those who are workers and those who are idlers, while in the sphere of politics they are differentiated into those who favor one policy and those who favor another. The more democratic a society is, the more open and direct

the differentiation is, and people do not avoid being differentiated. Incidentally, on this terrain in which the counterrevolution of Albanian genocidal nationalism is operating, we have an open differentiation into those who are separatists and nationalists and those who are communists and who are oriented toward Yugoslavia. It is a fact that we are being differentiated into those who are working to crush the counterrevolution and the others, who not only are doing nothing, but are in fact hindering the resolution of this most painful problem of postwar Yugoslavia.

### The Purport of Differentiation

It sounds paradoxical that concern about differentiation in the League of Communists of Serbia should come even from those communities in which there are manifestations of clear differentiation on various bases—into believers and atheists, into those who are for socialism and against it, those who want to abolish the armed forces and those who are in favor of the armed forces, those who want to live in Yugoslavia and those who want to live outside it, and so on.

For some people it is no longer unusual to set forth an anti-Marxist commitment, to advocate a multiparty system, Social Democracy, "de-Tito-ization," and so on. But when the League of Communists raises the issue of differentiation of its own members with respect to concrete commitments of getting out of the political and economic crisis, then it is called bureaucratic, Stalinist, and the like. The program of the League of Communists is a Marxist program. Accordingly, we normally would expect that those individuals who ceased to carry out that program would themselves leave the organization. From the political, ethical, and indeed even from the logical point of view, it seems absurd that someone would not accept the Program and Bylaws of the League of Communists, nor indeed even the point of its own existence, and at the same time remain in it and emphatically demand official position. I can only believe that privileges are the reason for that kind of behavior, although it has to be acknowledged that there are fewer and fewer of them.

[Question] Is this only a disagreement as to terminology or something else?

[Answer] I do not think that this is a terminological misunderstanding; we are dealing with resistance to a strengthening of the process of democratization in our society. To be sure, there is also ignorance and also misinformation at the basis of some behavior.

For me the ideological differentiation in the League of Communists has several levels.

One level is the one which implies that people of another ideology than Marxist ideology have no place in the League of Communists. Ultimately the honorable thing is for a man not to hide under the flag of an organization, but to affirm another ideology. No party in the world allows that.

There is also another level: People within the limits of this socialist and self-management orientation of ours have broad room for theoretical work, for ideological reflection. Not in the least is it assumed that in the sphere of thought we are all cast in the mold of certain dogmas, since if that were the case there would no longer be opportunities for development of socialist self-management democracy.

However, when it comes to the party level, that is, the level of practical politics, an attitude is assumed toward specific party conclusions and decisions. I do not know whether it even makes any sense to talk about differentiation in that context. Here it is a question of applying democratic centralism, which presupposes that the conclusions and tasks are carried out in practice. This does not mean, of course, that on that basis a man relinquishes the right and opportunity to stick to his opinion. On the contrary, the opportunity remains to bring him around gradually unless reality demonstrates that he is actually the one who was right.

[Question] Is the widespread opportunism in the League of Communists today, then, an indicator that decisions have not been adopted democratically or is it an indicator of something else?

[Answer] Opportunism frequently occurs even in the course of decisionmaking, so that it is logical for it to be manifested in the implementation of decisions as well. However, the reasons go deeper and have roots in ideology and in interest. Nor should we lose sight here of the way decisions become action in the League of Communists: its social composition and the kind of behavior that has become established in its organization, a behavior that does not suit its role as ideological guide.

[Question] Recently, personnel policy has often been a subject of disputes and quarrels. Why?

[Answer] The basic principles of personnel policy are good ones. Significant results have been achieved in implementing the nationality principle and certain other principles, but for a long time now the class principle has not been sufficiently represented. However, the criteria for selection of personnel on the basis of commitment to socialist self-management and personal ability, courage, education, and the like, are highly vulnerable in almost all communities. Cliquishness, privatization, and parochialization are widespread. Personnel policy is still wrapped in a veil of secrecy, and various other bureaucratic manipulations of people are also widespread.



However, the most frequent criticism is of the bureaucracy of the League of Communists in personnel policy, although much more dangerous are the manipulations of independent groups and individuals in economic chambers, assemblies, structures that stand apart, and indeed even certain structures of the SAWP, where once again the greatest responsibility must be on party member. That is probably why the League of Communists faces one of its most difficult and toughest actions precisely in the sphere of personnel policy.

#### Who Must Leave

[Question] Communists of Belgrade, as has been shown by this debate, are demanding that people who have held office for a long time now step down, since many of them, by virtue of the fact that they have been in office for a long time, are now in a situation where people no longer have confidence in them. Could you comment on that demand?

[Answer] The criticism of personnel policy is harsh and well-argued. There are justified demands for those who have not justified confidence to step down from their positions. Only those who prove themselves in action have the right to a new term of office.

The maturity with which an immense number of party members debate personnel policy is amazing. They emphasize the demand to affirm able and brave people devoted to the social system of a socialist and self-managed Yugoslavia. Younger personnel, of course, have the greatest opportunities, but only if they meet all the other necessary conditions.

There needs to be objectivization of criteria and they need to be applied publicly so that there is no voluntarism and freewheeling in solving problems. And those who hold positions of leadership and other positions must feel confidence in their work if they are doing what has been agreed to.

The hardest thing for people to take is the realization that personnel policy is restricted to small groups, while at the same time a large number of able people, especially the younger people, are neglected when nominations are made for positions in the economy and society.

[Question] Since the groups are small, then the choice is not great either. Right?

[Answer] Right, the choice is small, but mistakes and oversights in the work of individuals from those groups are large.

That is why we have to have effective action to strengthen personal and collective responsibility and public scrutiny of the work of every officeholder in society.

[Question] As a man who holds a responsible political position in the party, you are expected to evaluate whether this is being enforced that way in practice.

[Answer] No, I think that there are great discrepancies in practice. But changes in that respect have begun. There is evidence of that in the Eighth Meeting of the Serbian LC Central Committee and the debate that has been taking place for several months in Serbia, a debate that is instilling democratic relations in society but also in those milieux where the bureaucracy has prevailed so long and so autonomously that it looked more like a monarchy.

[Question] Even in Belgrade?

[Answer] Belgrade is no "paradise island." It has a higher concentration of everything. I think that the principles of public scrutiny have to be implemented to aid in the circulation of personnel and the departure of those who are incompetent, and there has to be more rapid penetration of able and energetic people who are clearly committed to socialist self-management. Under that condition the way out of the economic crisis will be found more rapidly and ultimately followed by resolution of the other problems and difficulties which have seized upon this society.

So long as we are talking about this, it is not just a question of public scrutiny of elections, but also of public scrutiny of the work of those who hold office. I think in this connection that the most essential thing is verification through performance of the program of their own work organization. It is impossible for the party and trade union organization to be doing good work if economic results are poor. And the other way about. Nor do I preclude here the possibility of another situation in which they might all be doing good work, but still there are no results. After all, sometimes even external influences can lead a work organization into a situation from which there is no way out.

I must say that the weaknesses we have already taken note of in personnel policy lie at the base of the problem: opportunism, cliquishness, elitism, leadership, and subjective and arbitrary behavior in the "personnel kitchen." We have actually reached the point in our development where we can get out of the crisis only provided the most able people are put in office both within the economy and outside it. And I am referring here to the sphere of culture, science, education, and so on.

#### Are the Intellectuals Passive

[Question] Belgrade is a city both of culture and science, of intellectuals, but above all of a numerous and strong working class. What is to be done so that the real interests of both come to the best possible expression and realization? How do you see the relation between the League of Communists and the intelligentsia at this moment, since there have been rather contradictory views in certain recent debates concerning this topic?

[Answer] Processes of economic, scientific, political, and cultural development have been taking place which integrate the working people into unified social forces of which the working class is the social backbone. Accordingly, the key question is the relationship between the working class and the League of Communists. The answer should be sought in a strengthening of the components of the social role of the League of Communists through which the working class experiences historical transformation to become the principal protagonist of social development. Accordingly, the relation between the party and the intelligentsia is also resolved thereby. And if the League of Communists is to be what we have said, it must develop as a collective intellectual, which is something discussed not only by Gramsci, but before anyone else by Marx, Engels, and Lenin.

By confirming itself as the revolutionary vanguard the League of Communists objectively unifies the most progressive forces of society, including the intelligentsia. Thus in actuality as the theory of socialism and self-management develops, there is a growing need for commitment of all the social forces, especially intellectual forces, to resolving common social interests. On that basis there is no longer any real opportunity for the intelligentsia to have the position of a partner of the League of Communists. The progressive intelligentsia is simply in the League of Communists.

[Question] There is also the impression that the awakening we have mentioned and that energy have not seized the broadest strata of the intelligentsia, that the opportunism that has been mentioned has been characteristic to a greater degree of precisely those strata. What do you think about this as a man from the university?

[Answer] That is not what I think. Unless when you say "intelligentsia" you mean certain people who have proclaimed themselves to be the intellectual elite and who are bothered by the League of Communists and by socialism.

With reference to the debate in Belgrade, it is necessary to take a different empirical approach in analyzing the opinions and attitudes of intellectuals toward things that have been happening and things that have not been happening in the very recent past. The first impression that imposes itself is that the changes have been accepted. By contrast with certain earlier situations, there has even been more massive and creative participation in discussions, and there is an ever larger direct contribution of the broad circle of intellectuals in seeking out solutions for the system and other solutions for the changes which are indispensable in our society. And as the ever better organized activity of the League of Communists goes forth in seeking solutions to the economic crisis, for relations in SR Serbia, and for a more effective fight against the counterrevolution in Kosovo, the number of participants will also broaden. New names and faces are emerging on TV screens and in the press.

All people, from all social milieus cannot be expected to take up the new with equal fervor, and that also applies to the members of the intelligentsia. That is human nature. Finally, I know this from myself. I have not always been among the first.

But the question arises of whether serious, honest, and responsible people, professors, scientists, can hold back in a situation in which the search is being conducted for a way out of a difficult situation. Some perhaps will continue to hold back. Some, of course, held back even when war broke out in 1941. Many people sat it out here in Belgrade while their children were being killed. If we omit that segment of people, then I think that there is no serious intellectual, when it comes to workers. I am certain that there is none, who will not take part in seeking the road for a way out of the crisis and who will not help those who are the leaders in this. I feel that support directly, and there have been increasingly outspoken demands for a broadening of participants in the most important activities.

[Question] Is the League of Communists capable of taking advantage of that today?

[Answer] By contrast with aristocratized individuals and groups, who have long been dominant at certain levels and in important power centers, on the waves of the struggle against the counterrevolution in Kosovo and the economic crisis a new generation has broken through. It is not burdened with the aspiration to power, nor with various mortgages; it is democratic and effective in seeking ways of resolving the vital problems. It is aware that all the forces of society, especially intellectual and creative forces, will have to take part in social activity if a way is to be found out of the crisis.

#### Labels Are the Worst of All

The opponents of the course that has been initiated know this, and that is why they use every means to carry out attacks—they pin on Stalinist, dogmatic, nationalistic, and other labels. In that respect they are like certain writers in the conservative press of the West. Even a superficial analysis shows the coincidence in the writings of certain critics of the line of the Ninth Meeting of the LCY Central Committee here in the country and the ALLGEMEINE ZEITUNG and papers similar to it.

[Question] Up to now the League of Communists has on various occasions confronted various types of anticommunist tendencies: from the sizable number of versions of bourgeois ideology, liberalism, and similar tendencies, by way of nationalism and dogmatism, all the way to Stalinism, with differing ideological signs. How would you identify each of those tendencies today? And how would you evaluate the danger from them?

[Answer] I am not able at this point to offer that kind of precise response. You can, of course, criticize me for that. But even what you have enumerated is an imposing list even if nothing were added. I know that several years ago Stipe S. var enumerated 25 such "isms."

Of those which you have mentioned I can feel, actually I can see, certain consequences, and I am referring here to nationalism, to Serbian nationalism.

But when things are generalized, I must say that I do not easily accept a localization which implies some entire community or organization. I do not easily accept such diagnoses. One must have many arguments in order to deal easily with labels: to say that a particular community is exclusively liberalistic or exclusively nationalistic! The worst thing is that without a full line of argument to pin a label, say, of being unsocialist or especially uncommunist.

Second, for a relatively long time we have been developing under the conditions referred to, which are well-known to us. Some of the elements of these ideologies have entered into both the thinking and behavior of certain groups even without any particular desire or particular orientation in that direction on their part.

The system of education and upbringing, above all in certain fields of the social sciences, has also greatly contributed to the creation of antisocialist, antiself-management, and anticommunist behavior. We are now making immense efforts to eliminate those deficiencies. First of all in the teaching of Marxism, the theory of self-management, and sociology. But the adverse consequences of education and upbringing are the most serious and the slowest to eliminate. After all, once consciousness has been formed, especially in youth, it is hard to change.

Third, I think that the failure to solve certain problems, especially those major problems in the economy, and then the slow emergence from the crisis, and indeed also the struggle which for a long time has been unsuccessful against the counterrevolution in Kosovo, have probably contributed to the emergence and stronger manifestation of certain elements of Serbian nationalism in the behavior of individuals and groups, and for them to think that they are looking for a way out in some other type of economy, capitalist and so on—which again pulls away in the direction of counterrevolution.

#### Democracy and the Public

[Question] How do you personally view the initiative to alter the present Program of the League of Communists of Yugoslavia? Yes or no?

[Answer] It is difficult down through the decades of development of the international working class movement to find a better document than the LCY Program. I think this is not the occasion to change it. There is no

reason to do so as yet. I know that some people are taking that initiative, but I feel that we do not yet have reasons or prerequisites to undertake changes in the program.

[Question] In the events that have taken place in Serbia there has been much mention of the press, and there have been many arguments over it and still are. How do you interpret all this?

[Answer] I have already had something to say. I think that the press, taken as a whole, has done a very great deal to democratize political life. It deserves a lot of the credit for raising certain problems and, of course, for the general exposure, as for us here in Serbia, of the Kosovo complex, although it could no longer be concealed, which is also the truth. Most of the press played a constructive role in mobilizing party members and other working people to solve the problems of getting out of the economic crisis more successfully and breaking the resistance of the counterrevolution more effectively. Not to mention the notorious truth that democracy is not complete without a public.

I do not know enough about why certain tensions have come about in certain newspapers. That is, not all the newspapers departed from the desired line of action, nor can this be said of editorial staffs as a whole. Is there any need to say that the differentiation has extended even to our press?

There have been several reasons for this. It is a fact that the division over economic policy and exclusiveness of our republics has affected the behavior of segments of the press in certain situations. This has become something natural. The behavior of segments of the press in certain situations has also been a consequence of certain what I might call personal ties between individuals and groups in the press and individuals in political structures of society.

The aversion to differentiation and unity has not been manifested, nor could it seize upon all the newsmen on an editorial staff. I would rather say that it is a question of a phenomenon that has affected individuals, segments of editorial staffs, a certain milieu, and so on.

What is needed here is a minute analysis for a man to be able to offer a better answer. Why and whence that aversion? I think that the reasons for something like that should be sought on three levels.

The first is the level of ideology and theory—the attitude toward the League of Communists as a revolutionary organization. After all, in the end there are people who think that a Marxist organization with the organization and relations of the League of Communists is superfluous and inappropriate to this society. They cannot accept the demands for unity, for them any demand aimed at unity and stronger readiness for action of the League of Communists is Stalinism.



Second, there is quite a bit of misunderstanding, ignorance, and superficiality as to the real processes and relations in society, especially in Serbia. That is why the demand for differentiation and unity is seen as something which is superfluous, something antidemocratic.

New processes of democratization have opened up and differentiation is one of them, even though it may seem to some that differentiation is something opposite to democratic developments. Of course, through democratization of relations, through openness, people both come together and move apart. In every party and in every movement.

Third, this is a process which does not really promise peaceful sleep, since people's names are being called and they will be evaluated for their work.

[Question] Do you think that these processes are characteristic only of SR Serbia?

[Answer] I think that similar processes are taking place in other communities as well. They are going somewhat faster in Serbia right now. The problem with Albanian nationalism, which has threatened the elementary human rights and freedoms because its resolution has not taken place more decisively, was slowing down those processes earlier.

In the various manifestational forms these processes are taking place from Macedonia to Slovenia, it is just that they are being responded to differently. I would not comment further on that at present.

We also come to the fact that certain segments of the press in Yugoslavia, less now than earlier it is true, have displayed marked resistance to our demand for unity in the Serbian LC, for greater ability to act. As people who analyze political phenomena, you can quickly arrive at the answers to why there have been those kind of pressures and those kind of labels.

I would like to say that the resistance to change has been very resilient where the bureaucracy is strong. The bureaucracy of Yugoslav society is linked up in the way that Yugoslavia's bourgeoisie once was. But we should not forget that Yugoslavia's working class is connected or will be connected, just as it was once connected in the process of class struggle, the revolution, and immediately after it.

07045

### **Serbian SAWP Conference Discusses Islamic Community Activities**

280000494 Belgrade BORBA in Serbo-Croatian  
12 Nov 87 p 3

[Article by M.T. "Quiet Albanization Eroding Unity," First paragraph is BORBA summary.]

[Text] The wave of fundamentalism and panislamism has reached our area as well, threatening to go from here into Europe. Tenets of Islamic faith relating to having

largest possible number of children coincide with basic demands of Albanian nationalists and separatists.

Belgrade, 11 November. Despite the traditionally good relationships between the Islamic faith and the government, indications of politicization of religion have been observed lately in Serbia. This was stated at today's session of the coordinating committee of the Serbian Republic SAWP conference for relations with religious denominations. Despite the efforts of Islamic community leaders to limit their influence, the worldwide wave of fundamentalism and panislamism has managed to reach our country. In Serbia it has found a fertile soil in the mixed, chiefly Southern Moravian, Sanjak, and Kosovo communities and communities along the Drina, from which, as stated, it can easily reach Europe.

The Moslem population of Kosovo, 58,562 according to the 1981 census, as was pointed out by editorial writer Milorad Vidovic, "represents a significant statistical potential for attainment of the separatist goal of an ethnically pure Kosovo." Hence the fears of believers in Sanjak are justified. According to Vidovic, they are given concrete expression in the choice of the imams through whom the Albanian language is being introduced into this area and through whom in this way quiet Albanization of the Moslem population is being carried out.

The Moslem community in Serbia should have already heard about this serious problem and should react to it vigorously, it was concluded today. The periodicals published by the authorities are in Albanian, and the committee chairmen in Novi Pazar, Sjenica, and Belgrade, to say nothing of those in Kosovo, are Albanians. In Medresa and Pristina, school instruction is given only in Albanian. The imams in the purely Serbo-Croatian language areas (Nova Varos, Sjenica, Prijepele) are also Albanians, while in Dragas, where more than 90 percent of the Goranac faithful worship at the mosque, the imam conducts services in Albanian, and when the faithful tell him they do not understand anything, he tells them to learn Albanian. In addition to the trend toward Albanization cited in the conference materials, there is also a tendency toward islamization of uncommitted Romanys in Serbia. However, the opposite view has also been expressed, to the effect that this is not accurate. As was noted today, the tenets of the Islamic faith regarding production of the largest possible number of children also coincide with the basic demands of the Albanian nationalists and separatists.

"The Islamic community in Yugoslavia is uniformly organized over the entire territory of the country. It has its own constitution and supreme head, and as such is the only such institution in the world. In Serbia it has its own statute and a uniform organization, and the headquarters of its authorities is in Pristina." This statement was made by the president of the Association of Religious Officials of the Islamic Community, Hamdija Jusuf Spahic, who also pointed out that this community has always fostered the tradition of patriotism.



While accepting the general assessment of its operation, Spahic also pointed out that, in his opinion, one of the greatest problems of this community is the bureaucratic attitude of government agencies, which do not issue permits in time for construction of religious structures in Serbia. Hence, according to him, there are only three mosques over the entire area from Nova Varos to Subotica. However, neither he himself nor the chairman of the Commission on Religious Questions of the Executive Council of the Serbian Assembly, Dragan Dragolovic, was able to state exactly how many mosques there are in Serbia. According to Dragolovic, there are 1,200 mosques in Yugoslavia, from which it may be inferred that this figure includes the ones in Serbia as well. To tell the truth, the fact that it is not easy to keep records on them is indicated by excerpts from the conference materials. They show that religious structures spring up almost overnight, thanks to contributions from the incomes of believers, who, in the midst of a crisis, compete with each other to see who will give the most, at the cost of having their villages remain without roads, water supply, and electric power.

6115

**Skopje Strike, Ethnic Tensions, Other  
Macedonian Issues Discussed**  
28000050a Zagreb DANAS in Serbo-Croatian  
24 Nov 87 pp 17-19

[Article by Milan Jajcinovic and Iso Rusa: "A Shock on the Streets of Skopje"]

[Text] The workers of the Skopje Steel Mill recently did what the politicians have only been talking about for years now: They established direct contact between the politicians and the workers, between politics and the people. The meeting followed upon a 7km march through the streets of Skopje and occurred in front of the parliament building, where nearly 8,000 workers and citizens (some from the steel mill, some not) dissatisfied with tardy and scant personal incomes, the general state of society, and the recent decisions of the FEC brought their anger down upon Macedonia's political elite. The workers met the attempt to calm them down with shouts: "You are eating up our money," "Give us back our money," "We've done it your way long enough..." and they chanted: "Thieves, thieves..." "Resignations, resignations..." and there was mention of Tito's name ("Tito would not have gone into hiding"). Thus the Macedonian leadership had the occasion to see how a social protest turns into a political demonstration. In the assembly building occupied by the workers there was not a single person in blue coveralls who said anything without demanding accountability of the highest leaders in the republic ("If you are incompetent, resign from office..."), and shouts of "Down with the government" and demands for confiscation of the property of the "red bourgeois" were heard... The respect carefully nurtured over the years toward holders of high office was at

that point trampled in the dust. The embittered steelworkers, who were later joined by the workers of the glass plant, the refinery, Makiptrol, and municipal service workers, did not "score" on anyone, as a matter of fact, their function was only to offer an additional reason for a new maneuvering. Thus everything turned into a "close encounter" of the "face-to-face" type.

Why did it occur? Some of the answers to this question can be found in the very condition of the steel mill—which is largely a paradigm of the entire Macedonian economy and which was the fuse that ignited the long-smoldering worker dissatisfaction. That is, because of what are referred to as the "system" solutions at the Yugoslav level, i.e., because of the high price of energy and low prices of their own products, it recently had to shut down its electric furnaces. That meant that 1,500 workers in the smelters (out of 12,000) had to be transferred to certain other jobs. And the most recent adjustments have made the price discrepancies even greater: electric power rates were raised 69.4 percent, and the products of the steel mill 60 percent, and it is well-known that electricity has a share of all of 70 percent in the cost of those products. And when it was also learned that everyone would be paid only 95 percent of last year's beggarly earnings (because the enterprise was classified among those operating at a loss), things began to boil on the factory grounds. The general director attempted to explain that they could not operate outside the law, that there existed only the possibility of being paid a supplement of some 15 percent, and that he had tried to explain the position of the steel mill to the opstina and republic officials, but that nothing had come of it. At that point the bristling workers went out through the gate and started on foot for the parliament. The officials who met them called for worker "deputies" to come into the building and to talk there. The workers rejected that, saying that they would stand outside until these people informed them what they thought about their position and their demands ("We have never done better work, nor gotten less for it"). When the officials reported to them that they had "conferred with the FEC" and that in the most recent interpretation they could be paid another 42-percent increase as an enterprise operating at a loss because of the "system" measures (the steel mill became an enterprise operating at a loss because of the FEC measures and revaluation of depreciation: it took in 130 billion, it needed another 4 billion), the workers said: "No! No...we want 100 percent!" Only after that did the negotiations begin. Some of the workers who felt that they had something to say went into the parliament chamber, while a few thousand workers listened to what was happening inside over the loudspeakers that were set up—objecting or approving out loud.

It was evident from the demands of the steelworkers that it was not just a question of pay, but also of other things.

The workers from the steel mill are not the most threatened segment of the Macedonian workers. Over the first 9 months of the year they received 120,000 dinars on the

average, while the average for the industrial sector was 109,000 and the average for the entire economy 99,000 dinars. When we realized that in Macedonia there are also those who work an entire month for a "mango" 3 or 4 million old dinars, then it is evident that the principal motive for the rebellion of workers from the steel mill was not (exclusively) social insecurity, nor the possible threat of bankruptcy (as was the case in Cin-Bor in Priep and the glass plant and Alumina in Skopje, and so on). Rather it was probably a case of becoming fully aware of their own position, hemmed in by the so-called "system" solutions at the federal level, the financial collapse of the republic and the quasi-socialist nurturing of the cult of sacrifices in the name of some future as hypothetical as it is remote. Of course, it was all spiced with the demand that the leadership be made accountable for the present situation, especially at Ferit, which is a drag on the Macedonian economy.

The problems do not date from yesterday. Ilija Filipovski, vice chairman of the Executive Council of the Macedonian Assembly, traces their roots back further, since, he says, the social product in Macedonia rose 4.7 percent between 1948 [?] and 1983, while in Yugoslavia it rose 5 percent; between 1981 and 1983 it rose 0.3 percent in Macedonia and 0.7 percent in Yugoslavia. So, the "differences in level of development are increasing in spite of all the verbal commitments," Filipovski adds to this the level of the foreign debt. At the end of last year Macedonia was twice as deep in debt as the national average. Why had that debt been incurred? Filipovski answers: Because of the commitments contained in the plan, which date back somewhere to 1971 when the underdeveloped republics, on behalf of faster development and because of the lack of their own capital, were supposed to borrow abroad ("It was even a recommendation of the World Bank that those republics use 80 percent of the credit which it was granting, but over the period from 1981 to 1983 we used about 68 percent."). Between 1976 and 1980 Macedonia borrowed \$513 million, \$400 million of which it immediately sold on the Yugoslav foreign exchange market, and which now, when it comes time to repay it, has a 25-fold higher value, and the annual "interest" amounts to all of 340 percent! If the economic mistakes in the republic are added to this—and this is nothing peculiar to Macedonia—then this is a burden which really is difficult to bear, especially given the unfavorable structure of the entire Macedonian economy. That is probably why the workers at the "happening" in front of the parliament asked: Why is steel sheet being imported, why not import television sets, automobiles, washing machines, and refrigerators? Why are wine and rice being imported? Why do we have to pay 100 million old dinars for a television set?

The deputy prime minister of Macedonia said that it is not really easy to find answers to such questions, since in Macedonia they have been building heavy industry since the liberation. "Thus, probably because of the mineral resources, but also out of a general Yugoslav interest, we built the

steel mill and opened up mines, which today—because of the unfavorable structure within the Yugoslav economy—are just a burden." Ferrous metallurgy and the production of ore and nonferrous metals alone account for about 20 percent of the industrial output of Macedonia, and the textile and leather industries another 21.7 percent. These industries with a low rate of capital formation (along with the problems in the system that have not been solved) only undermine the ability of the Macedonian economy. And when that is the situation, it is natural that salaries are often not enough to live on (decently). Ilija Filipovski has yet another explanation:

"Every other year since 1982 we have been forced to build a thermal electric power plant. So far we have built three generating units at Bitol and one at Kicevo. About 48 percent of the investments in industry go for the fuel and power industry. And why? Because at one time we invested money in Kosovo thermal electric power plants, but then the steel mill in Skopje pays 46 percent more for that power than its price at the Yugoslav level (now about 33 percent). We had to accede to those conditions; otherwise we would have had to shut down. That is why we must invest in fuel and power. That is also why we cannot carry out restructuring." This problem with energy goes back even to the time when hydroelectric power plants were built at the level of Yugoslavia, but later they were divided up into several systems—according to the republics and provinces where they were built, and Macedonia came out on the short end of that.

#### Macedonians Are Leaving

Macedonia at the moment has a labor force of 23,060 (out of 520,000) receiving guaranteed personal incomes (slightly more than 8 million old dinars). Life is getting harder and harder. It has already become a custom for a fair number of citizens of Macedonia to go to Bulgaria to shop over the weekend. Going to Greece as seasonal postarbiters is becoming more and more frequent. There is also unlicensed moonlighting, and there are skilled workers and physical workers taking jobs as cleaning personnel in hotels and camps.... It seems that the Macedonian tradition of going abroad to make money is beginning all over again. The writer Simon Drakul also mentioned it in an interview with NOA. He recalled a recent statement by the Australian ambassador who said that they had 35 applications in their embassy from people who want to go to their country. He said that they will probably be opening a consulate in Bitol for that reason. It is another question whether all the applicants will get together enough points to emigrate there. Probably not, since the highest points are given to occupations they are short of and to youth (the limit is age 40). So far, about 2,000 families have already gone. Aside from Australia, people are also going to Canada, which is undoubtedly more a confirmation of the present scantiness of Macedonian life than of any historical inclination to emigrate in search of work.

And while Macedonians are leaving Macedonia, it is said that more and more people are moving in, but not Macedonians, primarily Albanians. After the 1981 events in Kosovo, figures like these seem to be causing an ethnically colored hysteria in certain Macedonians. There is talk of tens of thousands of people, and the figures show that last year alone 2,654 people came to Skoplje. This is the so-called mechanical addition to the population, and these people from Kosovo and from the Sanjak, new inhabitants of Skoplje, are "people without an address." And it is said that what they signify is wildcat construction and the usurpation of public property. It is said that in Skoplje alone there are some 100 hectares of land taken over by Albanians.

That is probably why a proposal was made in a recent meeting of the Ohrid Opština Committee of the Macedonian LC that the conditions be defined and criteria prescribed for qualifying to take up residence and by real estate, since it is said that half of the commercial space in Ohrid has been bought up by Albanians. The decision in the spring to tear down fences around Albanian houses is still being carried out. In Tetovo alone about 2,200 decisions for demolition have come down. The owners themselves have torn down about 1,000 walls; some have appealed even all the way to the Constitutional Court of Yugoslavia, but the bulldozers have leveled the other 1,000 enclosures. Enclosures are also being demolished in villages. About 3,000 rulings have been issued. Aside from that, emotions have also been aroused by boycotts in secondary schools in Kumanovo and Gostivar, where Albanian pupils have equated the introduction of "mixed parallels" (instruction in Macedonian for both Macedonians and Albanians except for classes in the native language) with the loss of constitutional rights. This kind of legal (but also political) commitment is defended with the assertion that this is a way of protecting the quality of instruction, and interethnic relations among young people are improved as well. In response to the quiet assertions that this is a suspension of the constitutional right of Albanian students, it is said that those rights extend only to elementary education.

Be that as it may, the boycott of classes has resulted in several expulsions of both students and teachers. Nothing in particular is known about what happened to the teachers, but it is known that the students have enrolled in schools in Kosovo. The Macedonian public is not immune to such cases; they affect it in one way or another, and people are not uncommon who feel that efforts that are not thoroughly thought out could leave traces that will be seen as scars in later years. This especially applies to the ethnically mixed communities such as Tetovo, Gostivar, Kicevo, Debar, Skoplje, and Kumanovo. There has been a kind of Lebanonization going on in Skoplje. Thus on the left bank of the Vardar, in the settlements Cair and Toplansko Polje, the inhabitants are mainly Albanians, Turks, and Gypsies, and the price per square meter of housing is threefold more expensive than on the right bank of the same river. But that is not a problem in Skoplje alone, since it is well-known that

in Yugoslavia today there are 650 ethnically pure settlements, only 100 of which are in western Macedonia (with an average population of about 1,500).

### A Second Kosovo

There is no doubt that interethnic relations—67 percent of the Macedonian population is Macedonian, 19.8 percent Albanian, 4.5 percent Turks, and 2.3 percent Serbs—add their own colors to the present Macedonian political panorama, and together with the social tensions they can terribly entangle the skein of the Macedonian economic and political situation. Still more pronounced social tensions will result from the chance being given to a real economy and development of the market economy (Macedonian leaders say that they will not depart from this, although they regard the FEC measures as a transitional period). Without a real social welfare policy that would have to "cover" that transitional period, which—if there is consistency—will also involve layoffs, the tensions will only grow. And where there is tension, explosion is also possible. The tension has now been intensified by the steelworkers, by the Crn-Bor workers from Prilep and Alumina, before that by the construction workers of Ilinden, and by the workers of the glass plant with their little march and entry into the building of the Macedonian LC Central Committee; tomorrow they might be substitutes of Feni (ELRO Električna, MIG, Straso Pindur-Treska, or some other). The very gathering of the workers in front of the parliament building showed that they are "cut to the quick," that they no longer want to keep silent nor be patient, and that they see expression of dissatisfaction as their natural right. It is true that at the same time, just like others, they have suspended the system and its legal institutions and demonstrated that it consists more of cosmetics than purposiveness. What would happen, for example, if the workers had been joined by students from the Stiv Naumov Student Settlement? After all, just a few days earlier there had been an incident, though a small one it is true—when on a path which is used by the public, which the students object to, one student was bumped by a car—which could have been an occasion for a rallying of university students, who have been dissatisfied for quite a long time now, and "activists" of the university committee of the Socialist Youth Organization went on round-the-clock duty and prevented the university students from joining the steelworkers.

A Macedonian intellectual recently said that in Macedonia "we have economic poverty along with the methods of the firm hand." Macedonian leaders seem to have drawn lessons from Vevcan and realized that exclusiveness can only be detrimental to them. At that time, the truth was measured out in doses, and there were those who said that the news correspondents were "in the pay of the bourgeois right" (which was the occasion for one of these "mercenaries" to make the sarcastic assertion that the demonstrations of the steelworkers had been organized by the correspondents) so as to obstruct the



Macedonian leadership. At this point it is no longer possible to hide anything. Indeed a readiness to talk was demonstrated. It turned out that in and of itself official position is no guarantee of authority. Thus yet another illusion fell away once and for all, along with that illusion about socialism supposedly having to produce everything—from needles to locomotives, a principle to which we have added our own stupidities, among them the stupidity that every republic must have its own steel mill. Perhaps that is the beginning of the pestilence of our illusions held over long years, but perhaps also the beginning of a second Kosovo, although a bit different one.

07045

**Barriers to Change, Ending Crisis Detailed**  
28000051 Belgrade NEDELJNE INFORMATIVNE  
NOVINE in Serbo-Croatian 6 Dec 87 pp 19-20

[Article by Jug Grizelj: "When the Gods Fall"]

[Text] The keeper of the lions in a zoo recently said in anger to a reporter that at times when a sizable group of visitors are gathered around the lion's cage and provoking the imprisoned animals with sticks and in other ways, he feels like letting the lions out for a moment.

One can understand that sense of justice of the unimportant lionkeeper who is embittered by the morality and actions of the visitors who take such interest in torturing and tormenting the king of the beasts—but only when he has ended up in a cage and when he is helpless. But a sociologist with a refined sense for distinctions might easily prove the justifiability of the genetic need of man, who for millennia has been persecuted by one king of the beasts or another, to take revenge when he can, and the only time he can is when the king of the beasts is helpless.

We can see the same syndrome in the social milieu of the entire history of human civilization—in the toppling of tyrants from power. There is always a crowd that would take advantage of the former master of their spirit and body, now that he is no longer the lord and master. Of course, one stratum, one segment of those who spit on the dead tyrant, or who poke with a stick at the lion rendered helpless by the cage, does this to prove its courage and progressiveness after the fact. After all, alongside the overthrown tyrant or captured lion (as in the famous hunter's pose with his foot on his prize) there always stands their conqueror, the one who is to be offered all the signs of loyalty just as they were offered to the previous lords and masters.

**A Call for a Lynching Party, But When?**

Recently, a number of great gods fell from power in Bosnia-Herzegovina (in that region now, in certain others at an earlier date), and after them—in a general democratization—the turn came for the gods at the middle and lower levels. One of them—judging at least

by the well-founded suspicion of involvement in a number of scandals related to corruption and theft—is Josip Musa, until recently the god of Mostar, who for long years was chairman of the Business Board of the omnipotent "Aluminijum" Work Organization and the legendary leader of the soccer team "Velez." Today there is not a single citizen in Mostar who is not able to rattle off at least 100 great sins of this man who until recently was a local bigwig, a man who until practically yesterday was able to make people happy or unhappy as he pleased regardless of all laws and customs. Today, when this man is "in the cage" of custody pending investigation—terribly harsh accusations, both fundamental and specific, are being heard from his work organization. It is said that he was "shrewd and resourceful," that he could "trick every worker," that he was a "great autocrat," "good toward those who obeyed him, merciless toward his critics," "insatiable in his venality," and so on.

What from the sociological standpoint is most horrible in this outpouring of bile against a former god, an outpouring which we believe to be just and sincere, an outpouring of bile which—even within the confines of a work organization—now sometimes borders on a tasteless call for a lynching party, even before guilt has been established and the court has rendered its verdict?

The most fascinating and at the same time the most shocking is that this same Josip Musa, was just 1 year ago (as we have read in a recent issue of KOMUNIST) was defended "by his workers" and especially by members of the League of Communists from his work organization when he was suspected of certain misuses of funds (the same in fact for which he is now in custody pending investigation). The minutes from a meeting of the "Livnica" Basic Organization of the League of Communists at that time literally contained the following words: "...In this period a problem arose of rumors about Comrade Josip Musa, chairman of the Business Board of the 'Aluminijum' Work Organization. It was concluded in the course of discussion that these personal attacks on the chairman are at the same time attacks on the good results which we have been achieving throughout the work organization.... This kind of disinformation about the chairman as a person could only have come from a milieu of dubious political and self-management character, and for all practical purposes this amounts to an attack on our political system."

Nothing less than a commando attack, sabotage, an assassination directed against the Constitution and AVNOJ! Any attack on Josip Musa is at the same time an attack on the system of socialist self-management.

How were we to account for such diametrically opposite changes of disposition and assessments in the same people, and what happens to us, who is it that bends our backbone and how is it done? How could all this have happened before the eyes of the people of Mostar (now it is the people of Mostar, but yesterday it could have been any other Yugoslav city in some other case), and was it

then or now that what we said was sincere? It was not Josip Musa who changed, it is our assessments that changed. Why? Do we have some new information and knowledge today, or are we still the same—just the circumstances are different and there is a difference in the notorious "balance of power"?

### The System's Weak Points

Even a superficial look at our newspapers—at least over the last 4 or 5 years—will show us that there is hardly any awareness of the character of our general crisis, above all the crisis of the political system, which has not been uttered a hundred times already, including the conclusions of at least the last three congresses of the League of Communists of Yugoslavia. The newspapers have for years now been full of democratic ideas, brilliant analyses, and sociopolitical conclusions. Nearly every day one of the very top representatives of what truly is the Yugoslav "lobby" of socialist self-management puts all his cards on the table, and this happens constantly and all over again—although they have been open on the table for a long time now! How is it possible, a citizen must ask himself, for "our cause" to nevertheless be falling into an ever deeper pit in spite of so many advocates of progress from all social strata of Yugoslavia, from workers all the way to scientists, who for so many years have been assiduously analyzing and pointing their fingers at the "weak points" of our political system?

What the newspapers said on the occasion of the Day of the Republic which has just been celebrated were an occasion for brilliant analyses of that kind on behalf of self-management socialism. For instance, speaking in the holiday issue of BORBA concerning the political climate in which the elections are taking place and the abilities, responsibility, indispensability, and so on of those making decisions in the economy and in politics are being verified, Prof Rajko Tomovic (an expert on cybernetics and winner of the AVNOJ Prize) says that an utter anachronism in management in general, in the selection of the right people for the right place, in our country is the situation in which the following things are as clear as your hand in front of your face: For long years personnel have circulated in power without any real public assessment of the successfulness of their performance; second: in the overall milieu of our life personnel are placed in the most responsible positions on the basis of decisions taken in closed circles; and third: protection of those personnel from accountability to the public, which sometimes extends even to violation of ethics so long as those personnel have the support of certain power centers.

### The Untouchables and the Indestructibles

"Although this is not explicitly stated anywhere," Rajko Tomovic says, "the principles of the personnel policy we have described mean that the leadership stratum is

essentially accountable to closed circles, while toward the base of the pyramid it behaves as though it is irreplaceable, untouchable, and indestructible."

As for the anachronistic nature of this kind of model of management under socialism, Dr Tomovic says, it displays the unchangeability of always the same attributes:

- i. decisionmaking—even the most important decisions—in the confines of the rights of the party elites;
- ii. concealment from the public insofar as is possible of the differences that occur in the alienated centers of political power is a rule of the game, since apparent or real monolithism is a condition for staying in power in the absence of influence of the public;
- iii. turning the party rank and file and citizenry into an object that can be manipulated by forums;
- iv. transformation of all public organizations into transmission belts of forums.

Prof Rajko Tomovic is no "hero," and he has not been quoted here (in spite of the wisdom and scientific soundness of the analysis by this expert in the management field who has a world reputation) so that we might communicate something new to the reader, something that we have not heard and read countless times already. The reference to this analysis by a cybernetician is aimed at putting a very simple question: What more has to happen to us for these and similar assessments to begin to influence a change in reality to a considerably greater extent than the past and present proposals for cosmetic refurbishing of the political system?

The paradox is obviously hard to swallow: We are probably the only society in the world in which not only scientists like Rajko Tomovic, Josip Zupanov, Jovan Miric, and Veljko Rus (we could list another 50 similar names with the highest reputations), but also the highest officials of the League of Communists, if not in the same words and the same scientific foundation, still certainly with the same persuasiveness and line of argument, criticize the situation in our society with respect to the model of management and what is referred to as personnel policy. To put it simply, there is no longer even a local politician who thinks well of himself and cherishes his democratic image who at least once a year does not "turn in anger" in the most critical terms on the catastrophic consequences of our undemocratic and negative personnel selection, which is unreasonable in the most elementary terms. Perhaps the only difference between the criticism of our scientists and that of our politicians is that the latter, including those who delivered speeches in the 13th LCY Congress, seek the culprit in the extremely foggy definition of the bureaucrat, although both have in mind the same strain of people.

almost incomprehensible how critical our top stratum is toward itself and its party. It is a—or even unknown—in the world for even parties to speak so critically about the parties. Their leaders as our leaders speak about their own party. When one listens to them one can't help but wonder: For pity's sake, if all of this is so, what, then, is stopping us from getting some information of the system, and so little real determination and effort to change it in the system that has been analyzed, isn't this entire business of criticism actually just a new mode for holding on to the old people and the old ideas under the slogan: It is all clear to us, just give us the time to change it.

### But When the Gods Fall

Now let us go back to our Josip Musa—and our unenumerated Musas from Maribor (the comrades from Slovenia will forgive me) all the way to Djevdjelija, and from Subotica to Split. In what kind of real model of the organization of society do we live (concealed by general consensus and sworn allegiance to the social values of socialist self-management) when the harmfulness of an official can be spoken about only when and if his own god falls from power? What kind of terrible torture is it, what sort of pressures, what kind of blackmail, what kind of intimidation, what sort of outrages against the spirit and body prevent the self-managers in numerous of our collectives from offering opposition earlier, so that they decide in favor of the truth only then and at the moment when their little god has lost the support of his bigger god, and that bigger one of a still bigger one?

In answering that the question "will itself tell us" why we are so disgustingly bloodthirsty—just like the type of people who poke with a stick and spit on the lions in cages—only when some powerful person falls, so then we are ready to add to the established guilt a hundred more faults that never existed. The sociologist knows the answer—and he has uttered it a million times already, uselessly: It is always that way in the twilight of the gods.

07045

### Controversy Over Kosovo Highest Public Award Described

28000049B Zagreb DANAS in Serbo-Croatian  
 24 Nov 87 pp 36-38

[Article by Milos Antic: "An Ethnically Pure Award"]

[Text] All signs indicate that the current situation with the Kosovo December Award best suits the nationalists.

The December Award, the highest form of public recognition bestowed on individuals, organizations, and institutions in Kosovo for outstanding achievements in different areas of social, educational, scientific, cultural, and economic creativity among all the peoples and

ethnic groups living in this multiethnic community, became a new stumbling block and an apple of discord in interethnic relations this very warm political autumn in Kosovo.

At first glance and to the uninstructed the question logically arises: How could such high public recognition, which has been bestowed for 28 years now without interruption, all at once become a political problem encroaching on interethnic relations and how is it that some of its recipients are giving it back after so much time? The question is a logical one, but the answer is by no means easy. But let us take things up in order.

The December Kosovo Award was instituted at a formal meeting of the National Committee of the Autonomous Kosovo-Metohija Region on 30 December 1958, on the 15th anniversary of formation of the first regional national liberation committee for Kosovo and Metohija. And as we know, this first regional national liberation committee was formed at the end of 1943 and the beginning of 1944 in Albanian territory, in the hamlet of Bujan, where, as we also know, the Bujan resolution was adopted and preserved. This resolution also contained a separatist paragraph referring to separation of Kosovo from Yugoslavia and its union with greater Albania.

However, neither then, when the public award was established, nor later, when it was regulated by laws on several occasions and when certain changes were made in it, did anyone mention that it was linked even symbolically to the Bujan Conference. This was not done either in the major speeches delivered on 30 December 1958 by high officials of the National Assembly of Yugoslavia and the National Assembly of Serbia nor by the regional officials who spoke at the time. Although the disputed article of the Bujan Resolution had already been rejected, there was unwillingness at that time to speak of Bujan; it possibly was even deliberately ignored. In any event, no one at that time stated that this award is linked to the Bujan Conference, which, despite the fact that this separatist paragraph had to be "repudiated" by order of the Central Committee of the Yugoslav Communist Party, still has not been fully clarified from the historical and scientific viewpoints even today.

### Bujan Controversies

This resolution—of this there is no longer any doubt, because it was confirmed by many events following the 1981 counterrevolution—was one of the first and has remained the permanent inspirer of the Albanian nationalists and separatists. Even today, after several months of work by a party commission of the LCY Central Committee which established the responsibility of Fadil Hoxha, one of the ideological authors of the Bujan Conference and the resolution, it has also been brought to light that its creators and its scientific heirs have skilfully promoted through the entire postwar period as the most important event an agreement among communists of the Kosovo-Metohija region made in wartime.



naturally deliberately ignoring the rejected separatist paragraph. Even though Kosovo is an autonomous province forming part of Serbia, the nationalists and separatists have tried to present this date and this event, which took place on the soil of a foreign country and in the presence of foreign citizens, that is, not in liberated Yugoslav territory, and almost without the knowledge of the Central Committee of the Communist Party of Yugoslavia, as the day of Kosovo's establishment as an independent state.

Before we return to the award itself, let us add that, despite certain truths which have come to light, the Bujan Conference is still cloaked in a rather thick veil of secrecy and its participants to this day have not revealed all their cards, and the source of the initiative for this disputed separatist passage and certain others which have favored Albania rather than Yugoslavia.

Until this autumn, when the poetess Darinka Jevric returned her December Award to the Kosovo Assembly, something which was subsequently done by 13 other Serbian and Montenegrin recipients of the award, from 1959 through last year this distinction was bestowed on approximately 250 organizations, institutions, and individuals. However, records on recipients have been maintained only since 1970. Since that time the award has been received by 62 organizations and institutions and by 125 individuals, 36 of them of Serbian and Montenegrin nationality.

This distinction has been bestowed on prominent intellectuals, academicians, literary figures, and the highest university professors, that is, persons who cannot be accused of being unfamiliar with history. All of them, as they stated recently, have been proud of this distinction. Many of them now say that it did not even enter their minds that such a public distinction, which they compared to the Avnoj Award or the 7 July Award, could be linked to the Bujan Conference and its resolution, which was aimed against our country.

#### A Wedge of Discord

The return of the December Award by recipients of Serbian and Montenegrin nationality has come at a very difficult time, one fraught with many dangers, and most of all the uninterrupted action of Albanian nationalism and separatism and by increasingly overt manifestation of Serbian and Montenegrin nationalism. In such a situation interethnic relations have arrived at a dangerous lower limit which must not be exceeded by even a single millimeter. This act of returning this public award, even if it had not been politicized to the extent that it has, of itself has inserted a new wedge of discord into interethnic relations. Ordinary people, among other things, observe the behavior, the actions, and the subject matter of talk by the best educated part of the people, the intelligentsia.

Thus, the matter of return of the December Award has for a full 2 months now been a problem which is not having a major impact on the great number of events in Kosovo, but it is one which is smoldering and heating up the general situation. It has been brought to the attention of readers and the people at large in the pages of the daily newspapers RILINDJA and JEDINSTVO published in Pristina.

The first to make itself heard was RILINDJA, which stated that "the reasons and motives for return of the award are not linked either to literature, culture, or creativity in general. The only reason why (opinions in Serbia and Montenegro) disdain this award are linked to the Bujan Conference. Aside from the fuss, the official assessment of this conference is known and the public has been informed of it. Of what use is this, however, if the assessment made by the highest provincial authorities of this historic event dating from the war for national liberation is inadequate and unacceptable to these activists? It is easy to see that this act was done for calculated political effect and aims in order further to aggravate the situation and interethnic relations in Kosovo," concludes RILINDJA.

JEDINSTVO was soon heard from; its commentator wrote that "the Kosovo December Award is unquestionably a symbol of the Bujan Conference. For a good 15 years the plaque bore the basic emblems of socialist Kosovo, Serbia, and Yugoslavia. This is the reason why there was no doubt, and even less was it assumed, that this high provincial award could be a symbol of the Bujan Conference, at which was adopted the well-known separatist resolution regarding union of Kosovo and Metohija with neighboring Albania. Since 1974 the December Award has been in appearance and technical layout only minimally a symbol of Yugoslav Kosovo. All symbols of Yugoslav statehood and of Kosovo's belonging to Serbia have disappeared from the plaque. For years the commemoration of the Kosovo-Metohija area Assembly meeting held on 10 July 1945, at which the resolution stating that Kosovo and Metohija belong to the republic of Serbia was passed, has been ignored in Kosovo. The silence over this assembly has been due to the separatist movement for honoring only those symbols which foster creation of a greater Albania. It is impossible to deny that the Kosovo December Award, which symbolically preserves the spirit of Bujan, does not serve this purpose."

The newspaper further states that "this highest public award in the province is obviously losing its importance, because (at the time) nine recipients of Serbian and Montenegrin nationality returned their awards. If this is the situation now, it is logical to ask if the Kosovo December Award can continue to exist as such at all."

This newspaper's commentator further proposes that at the most the Kosovo award be linked to the many historically significant events of July 1945 and that it be called the July Award.



### Nationalists Receive the Benefit

The entire event is an ongoing curiosity. The public began, naturally on the basis of information obtained from "its own" newspapers, to buzz and its members to comment among themselves. Public opinion asserted itself. All this was scarcely welcomed by the "spiritual leaders" of the Albanian and Serbian ethnic groups in Kosovo. Various "isms" began to be tacked onto the problem, of which only nationalism, both Albanian and Serbian, has benefited and continues to benefit.

Individual Yugoslav information media have tried to clarify the entire problem, but all their attempts have been unsuccessful. The only entity which would be capable of putting an end to all this, the founder and sponsor of this high award, the Assembly of the Socialist Autonomous Province of Kosovo, has persistently remained silent and continues to do so. As long as it continues to behave in this manner, almost every day it will receive at least one letter in which the president of the Kosovo Assembly is informed that "due to realization that the 'December Award' is linked to Bujan and its shameful separatist resolution, I have no other choice but to return the award, and to hope that you will promptly reconsider the decision establishing this award."

The number of persons who, as we have said, have returned the Kosovo December Award has risen to 14. At least for the time being, this figure represents one-third of the Serbian and Montenegrin recipients of the award. News has recently come from Pristina University, the origin of the majority of recipients of this distinction, of mass return of the December Award by Serbs and Montenegrins, and so the danger exists that this award will become a purely ethnic one. This is something highly unwelcome to everyone in the current situation or in any other situation in Kosovo.

However, all this does not appear to be sufficient reason for conduct of serious discussion of this problem or for proper political assessment by those who are capable of making such an assessment and really have the authority to do so.

Instead, an announcement was received several days ago from the December Award Bestowal Committee, which it must be pointed out was appointed only 2 weeks ago and whose sole task is to select this year's recipient. It is true that the announcement does state that "by agreement with the Presidium of the Assembly of SAP Kosovo, it is deemed necessary to offer the following clarification in this context," this clarification dealing chiefly with the background of the award. It is stated initially that "the name of the award is symbolically linked to formation of the first national liberation committee of Kosovo and Metohija as in the other socialist republics and SAP Vojvodina." As is normal, it goes on to defend the existence of this award, the main argument for it being the fact that "high officials of the National

Assembly of the Federated People's Republic of Yugoslavia and of the Assembly of the People's Republic of Serbia" were present on the occasion of institution of the December Award and all of them welcomed the award and spoke not a word of criticism. Words of the speakers and then quoted, and it is stated that no one either at that time or later disputed the formation of the first national liberation committee for Kosovo and Metohija nor linking of the December Award to this historic event by the political authorities of our country or by historical science.

It is a special question whether or not everything is precisely as stated, since we know that, at least over the last 6 or 7 years, much that is negative has been spoken both by politicians and by historians and journalists. The committee announcement then goes on to state that "some of the persons who returned the award have tried to use the information media to challenge this form of public recognition, in a biased and malicious attempt to link its significance to that unacceptable and invalid paragraph in the resolution." It then explains how the Communist Party of Yugoslavia Central Committee reacted to this unacceptable position of the Bujan Conference so early as March 1944, how the persons who adopted this position reacted, and, lastly, how this summer the Presidium of the Provincial Committee of the League of Communists of Kosovo once again informed the public that "this paragraph of the Bujan Conference resolution is null and void."

"From all this," states the committee, "it follows that there is nothing disputable which might cast doubt on the nature of the December Award. Consequently, the motives and reasoning of some of the individuals who have decided to return this award obviously are unjustified and unclear. Can the public believe in the sincerity of a person who accepts a high award and not until 5, 6, or 10 years later supposedly understands its significance and name, especially since the persons involved were earlier definitely aware of the nature of the award? It is to be noted that, in effect, the persons who have rejected the award include ones who have done so out of inadequate understanding of the situation, but also ones who out of bias are trying to destroy the value of this public award."

Both persons who had returned their awards and others who were awaiting the outcome of the situation reacted to these statements and views of the committee. The point is that the situation is not a bit better than it was before the announcement.

### Oil on the Fire

The first to react was one of the recently elected members of the December Award Bestowal Committee, retired university science and mathematics professor Dr Stevan Bajovic, who stated that for several reasons, and

above all the fact that he was not consulted prior to election as a member of this committee, he rejects membership on the December Award Bestowal Committee.

Then, the next day, the December Award was returned by Academician Vladimir Boban and Dr Vladimir Cvetanovic. Similar announcements were made by some 15 other Pristina University professors, ones of Serbian and Montenegrin nationality, of course.

Hence the situation is becoming confused. A real danger exists that the award will in effect become purely ethnic, and it may also happen that any 1987 recipients of Serbian and Montenegrin nationality will refuse to accept it. Whether we want to admit it or not, all this is becoming or already is a serious political problem. The highest public award is being returned by persons who have meant something and continue to mean something in Kosovo. One salient fact among others is that a not insignificant intellectual elite of a sociopolitical collective is involved. Can the subjective forces in the province pass over this in silence? They certainly cannot, for several reasons, the first and basic one being that the man in the street and ordinary citizen, who is oppressed by the heavy burden of realities in Kosovo, must be clearly and unequivocally told just what is going on.

If it is a question of an historical misstep, whether taken deliberately or unintentionally, we must be frank and say what is what. On the other hand, if it is perceived from the clearcut ideological-political positions of our party and society that there really is nothing to argue about here, and that return and disdain of the December Award is a sort of political game, this should be stated and demonstrated with clearcut evidence. It is not a good idea to leave such a large void in which all the nationalists can go fishing.

Nor is it a good thing if correct and complete explanations and proof come too late.

If the December Award Bestowal Committee had all this in mind in issuing its announcement, it is far from having reached the proper goal, solution of the problem. On the contrary, the situation is getting worse. Hence it is necessary to act with the greatest urgency, because other rifts are appearing because of this dissension connected with the December Award, and these rifts are what are needed the least now in Kosovo, where a resolute struggle to overcome its many controversies has begun.

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#### **Dragosavac Explains Reasons for Writing Letter to LCY CC**

28000050h Zagreb DANAS in Serbo-Croatian  
24 Nov 87 pp 21-22

[Interview with Dr Dusan Dragosavac, member of the LCY Central Committee, by Mladen Maloca: "Why Dragosavac Wrote the Letter"; date and place not given]

[Text] The sense of there being no future has seized broadly not only certain segments of the population, but also parts of the leadership. The events in the Paracin Garrison, the series of attacks on Serbs in Kosovo, on Albanians in SR Serbia and in other parts of the country, the demonstrations in Kosovo, the large-scale strikes, the Plenum of the Serbian LC Central Committee, reactions related to these and other events are drastic indicators of the confusion and disunity in the leadership of the League of Communists, which is taking on the signs of factionalism.

This rather dramatic view of our overall situation is only a part of the long letter (19 pages) sent a few days ago by Dr Dusan Dragosavac to the chairman and secretary of the Presidium of the LCY Central Committee, Bosko Kronic and Radisa Gacic, respectively. In the letter Dr Dragosavac warns that "the bylaws are being violated in bodies of leadership of the League of Communists, light is not being shed on problems soon enough, we face a dangerous disintegration and diffidence of views." At the same time, "essential social issues do not get to the LCY Central Committee, and it seems that this is not being done sufficiently even by our two presidiums in closed meetings, at least not judging by what one reads in reports from those meetings and what one feels on the basis of trends in society." The overall crisis caused by disunity in the League of Communists and its leadership may be, Dragosavac says, not only an occasion, but also the principal cause of the opening up of a hotbed of crisis in Yugoslavia. "Whereas our own 1941 or 1945 seem remote in time, Lebanon is not far away," Dr Dragosavac mentions and says that the people are losing confidence in the leadership. "The leadership bodies have proven themselves utterly powerless in operationalization of the Economic Stabilization Program, the Anti-Inflation Program, the Critical Analysis, in implementing them. The LC has no problem with a platform or new documents. The problem is with vigorous and effective work to change the situation, to restore the confidence of the people in the leadership, and now even in the LC itself. Some of the struggles within the League of Communists are more like dynastic struggles than like discussions within the party. The affairs with which certain Communists are concerned with in public speeches are such that before the war serious politicians and newsmen would not have been preoccupied with them...the LC is not carrying out a campaign (or not in a united fashion). It is not setting the organization in motion. Nor is it able to guide political processes. The struggle for jurisdiction, for power and superiority, for offices, is more and more becoming an instrument in the factional fight in certain bodies of leadership.... The Balkans were once referred to as a powder keg which the imperialistic forces created to set the nationalities at odds in order to rule them. Today this is being done by certain leaders of nationalities in the League of Communists in order to rule their own region, nationality, republic, or province."

Remarking that the bodies of leadership are therefore facing a historical task of overcoming the negative, Dragosavac particularly warned that it is not a good

thing when people from other nationalities examine the nationalism of others under a magnifying glass, and yet they close both eyes concerning nationalism within their own nationality or community.

In the conclusion to the letter to the leaders of the LCY Central Committee Dr Dusan Dragosavac wrote:

"There has been a great shower of these and similar 'pearls,' corrections of history for petty political ends. This aggravates interethnic relations, develops an indoctrinization which is manifested in the ethnically pure work organization, territory, in gatherings and demonstrations, in demands for ethnic courts. We might even begin to speak of racist exchanges between certain Slovene and Serb 'friends,' about the problems between Macedonians and Albanians, about clericalism, which are spreading on the stage. At the top levels of the Catholic Church in Croatia concerning the development of the Stepinac line, in the conditions of the Serbian Orthodox Church concerning development of the line of Nikolaj Velimirovic, and in the Islamic [Religious Community] fundamentalist elements are making their way. Clerical circles are developing anticommunism under the slogan of ecumenicalism.

"There is a 'witch hunt' and it is only a step from a witch hunt to burning people at the stake. The campaign concerning Fadil Hodza is being shifted toward Sinan Hasani. Sinan has been proclaimed the ideologue of a Great Albania, of the irredenta. How far is that going and what proportions is it taking on when Pera Stambolic is accused of advocating 'Kosovo a republic.'

"There should be an analysis made of the large-scale strikes and university student protests. What does it mean when after a protest everyone adopts everything, everything is promised, and it is said that everyone is right. Pressure is put on the courts, this jeopardizes lawfulness, since accountability under the law is one thing and something else under the pressure of a public that is politicized, manipulated, and broken up into nationalities. There is a hunt for scapegoats, mainly in someone else's yard, and we know whose ritual that is. War criminals are guaranteed lawfulness, but when it comes to a citizen and member of the LC, there is a breakdown.

"An assessment should be made as to who is pulling the strings. The Central Committee must oppose this. One might speak about many occurrences, about their consequences and causes, but the essential thing is to see that the essential cause of all of this is disunity in the League of Communists."

We talked to Dr Dusan Dragosavac about the letter, about his motives and reasons.

"This is not the first time," Dragosavac said, "that I have made a request concerning the need to debate the political situation in the country. I have also spoken

about this in certain previous meetings of the LCY Central Committee, and, you remember, I proposed the calling of an extraordinary congress. In the meantime neither economic trends nor the overall political situation have shown signs of recovery; as a matter of fact, I would say that things are moving in the opposite direction. Those were the essential reasons that motivated me to make a request like this, but there were quite a few motives."

The ineffectiveness of the subjective forces, of the League of Communists above all, is becoming simply disturbing, especially when it comes to its operation within the system.

The League of Communists is not performing its social and political role; it is beginning to concern itself with every little thing, although long ago we committed ourselves to the kind of role the party would have in the system; we said how it was supposed to behave. But people seem to be forgetting that. The League of Communists is also taking on its back a burden that ought to be the concern of other bodies—government agencies, the bodies of self-management, other organizations and institutions, but most of all the Socialist Alliance. Given this kind of behavior, it is natural that orientation is to some extent being lost in the League of Communists, so then it is no wonder that we are more preoccupied with various individual cases, that attempts are made to politicize crime of even the most ordinary sort, and people even go so far as to give it an ethnic dimension. There is no need to even say how intolerable and politically harmful that kind of behavior is.

The borders between our republics no longer seem to be, as Tito put it, lines that join together like the marks on marble. More and more they are becoming boundaries that divide us. That kind of ethnic homogenization which bypasses the Constitution and bypasses our political commitments has led us to the point where we are throwing mud at one another, concealing our own mistakes, while we see everything that other people have done wrong, charges are made against the system, and the blame is put on the past. And why? Just in order to avoid responsibility.

[Question] Does this mean that the leadership has let the reins slip from its hands?

[Answer] I would not be so drastic. Of course, a situation can never be ideal. We also committed oversights and mistakes in the past. But viewed as a whole, Yugoslavia operated for years like a chorus that was in harmony, and the leadership was a successful conductor. In recent years, the trend has been different. I would say that the orientation of socialist self-management still prevails with the people, with the working class, that it has remained the chorus I referred to, but now the conductor is absent. That is why many defects and oversights have cropped up and become so frequent with us. And instead



of examining and analyzing those processes and difficulties which are a burden on us soberly and as Marxists, about all we do is to confront the complacency of individuals, while manifest deficiencies are ignored.

[Question] To what extent is that pattern the result of objective difficulties which for years we have been using as excuses, and to what extent is it an expression of a weakness in leadership and a lack of authority?

[Answer] It is quite clear that we have not managed to get our bearings altogether in this situation, that in the bodies of leadership there has not been appropriate organization so as to respond rapidly and effectively to the difficulties pressing upon us from all sides. I would go so far as to say that after the departure of Tito and the entire generation of revolutionaries, for various reasons we have not managed to get the kind of structure in the Federation that would bind together what is separate and what is in common more harmoniously. What has happened? The personnel in the Federation do not always manage to overcome more narrow interests of the republics and provinces, and as a consequence sight is often lost of the whole; that is, the responsibility of the Federation for the republics and provinces and the responsibility of the republics and provinces for the Federation and for its harmonious functioning.

[Question] Many people put the blame on the present political system and the constitutional arrangements?

[Answer] I am not among those who feel that the problems can be solved only with radical changes in the system. It seems to me that that is an illusion. I would rather say that behind all the rest there is a battle over government jurisdiction, a battle, as Svetozar Markovic would put it, over government offices. This is perhaps the most pronounced in SR Serbia in the relationship between the republic and the provinces and in the opposite direction, but the situation is not much different in other places either. But if we were turned more to the problems of self-management, of socialist development, I believe that there would be fewer dilemmas and disputes over the division of those powers. After all, our main difficulties arose from the fact that in many essential elements we were not abiding either by the Constitution or the LCY Program.

[Question] However, can the present leadership bear the burden of guilt for all our difficulties? After all, didn't they start back in the remote past when many serious mistakes were made?

[Answer] There are today many people who like to say and demonstrate that everything done since the revolution was wrong. I would not be able to concur in such opinions. We have had some 30 years of stable and successful development. The difficulties began later, and if you focus on my generation, which led the country between 1975 and 1980, I would say that it would

remain in memory as a generation which was not successful in leading the country in that period. Our problem was that we did not manage to halt the adverse flows which began back in the time of the great energy crisis. It has turned out that others were faster, more nimble, and more flexible. But in our country the adverse trends continued. What is more, they even spread, so that today it is no longer just an economic crisis, but we confront a negative trend in politics as well and in interethnic relations. And that is the burden of my generation, although, to tell the truth, it has to be said that back at the 12th LCY Congress we did issue a warning and point to all those negative aspects which have become increasingly obvious. For instance, we warned of the danger of inflation; the congress at that time also set down the political bases of the Long-Range Economic Stabilization Program. And what happened? When the 13th congress came around we had an inflation that was threefold higher, an inflation that had come quite close to three digits. There was also confusion and disorder. Large loans were taken, investment projects were undertaken which did not yield the anticipated results, but it is difficult to acknowledge such things. I personally think that this should have been acknowledged, and it will have to be acknowledged, if for no other reason, than to avoid the dossiers being brought out in current debates on certain problems, and people then saying: So, you see what you did! As is often done, incidentally.

[Question] And as for the difficulties we have fallen into, there are beginning to be speculations involving Tito's name. There have even been assertions to the effect that reactions were slow because of his state of health.

[Answer] In his last years Tito was not as healthy as before, but he was fully involved. He was not called upon at that time to be involved in day-to-day political operations, but he was extremely valuable in making political assessments and offering political views. I could not say, then, that the leadership was blocked because of the state of his health. One might rather say that there was an unnecessary euphoria in the leadership, based on the mistaken belief that the processes in our economy would blow away after all and that the immense front of investments would yield results. I recall that at the time of Tito's illness we held a consultation in which the question of devaluation was raised once again, although it was well-known that Tito was opposed. The sense of that meeting was that we needed another \$5 billion of credit to round out that cycle of investment projects for them to yield results. But when the analyses and materials were examined, we agreed that the situation was more difficult than had been anticipated. And it was already rather clear that no one would grant us credits any longer under such circumstances. There were proposals to proclaim a moratorium in the belief that we might restore the shaken political reputation in a few years. But then we were unable to agree.

There was a demand, for example, to undertake devaluation only under the condition that other measures be taken as well. However, they had not been prepared, and



the upshot was that its effects melted away in just a few months, just as Tito had warned. Even then there were some quite evident symptoms of a loss of strength in the leadership, partial interests were becoming stronger and stronger.

[Question] Didn't the evident lack of responsibility, especially to the public, also contribute to that situation?

[Answer] Well, yes. I would say that we are making a great mistake not to establish the democratic institution of the resignation. However, in our case this usually turns into a manhunt, and then no one even thinks of an honorable withdrawal.

[Question] In our case, scandals are more and more becoming a way of carrying out policy....

[Answer] Often these are showdowns, old grudges. Let us not forget, and it is well-known from history, that when any movement is unable to tackle global problems, then accounts begin to get settled. I agree that things should be cleared up, but the leadership must not allow dramas to be made of every car. When a leadership behaves in that way, it becomes an instrument of the cases themselves, and the result of that is that there are new showdowns, and the problems are not overcome.

[Question] Are you not afraid of objections that just like certain other people leaving positions of leadership you are becoming or turning into a radical critic?

[Answer] Criticism of that kind does not bother me. First of all because I could cite a number of examples when I have called for things to be cleared up. My generation, like every generation, had its successes and shortcomings. I consider it an obligation to pass on that experience, to take note of possible mistakes or misconceptions on the basis of what I know. I could cite a number of examples when I called for certain matters to be cleared up. That is not only the right, but also the obligation of every individual, just as it is the right of the Central Committee or other bodies of leadership to accept or reject such an initiative.

[Question] Nevertheless, it is a bit out of the ordinary for you to send a letter to the leadership as a member of the LCY Central Committee?

[Answer] We engage in a great deal of analysis and diagnosis, but what I had in mind is that we have behind us the 13th meeting and the 13th congress, many meetings of bodies of leadership, and in spite of everything we are not managing to halt the negative trends. And it is the normal thing, is it not, to put the question of whether the leadership can come to the next congress with the same problems of stabilization, with inflation, and so on...? It is the last moment for all of us, especially the leadership, to come to our senses, to clear up the dispute so that we can achieve the necessary unity of action. To see whether we can agree, and if we cannot, to be aware that in that

case we no longer have the right to continue any further. The leadership must see where it is, rather than overlooking things or having things happen somewhere behind its back; it dare not leave anyone in a dilemma of whether it is capable to change the situation or not. Especially since I feel that our situation is not one that offers no escape. The position from which we start is far better than after the revolution; we have achieved a certain level of economic and material development, we do possess a sizable personnel potential to which we should open up room for full affirmation, and, most important, the greater part of the working people and the people at large are still truly committed to this Yugoslavia, to socialist self-management, to equality, and to brotherhood and unity. Here the leadership must know how to utilize the strength and energy that exist, regardless of the objective difficulties it faces.

07045

#### **Appeal by Belgrade Veterans' Group Praised, Disputed**

28000066 Belgrade NEDELJNE INFORMATIVNE  
NOVINE in Serbo-Croatian 27 Dec 87 pp 24-26

[Article by Velizar Zecevic: "What Is Upsetting the War Veterans"]

[Text] Who has divided the war veterans? A question that is perhaps superfluous for their children and grandchildren has remained in the pages of newspapers in recent weeks and has been constantly on the agenda of meetings of the old veterans.

It would appear that the spark was ignited recently, on 9 November, in a meeting of the Presidium of the Belgrade City Committee of SUBNOR. Dissatisfied with the situation in society and still more in the party, the members of the Belgrade City Committee of SUBNOR spent almost that entire day (7 hours) bent over the text of a document which was ultimately given a simple title: "Appeal to Veterans' Organizations and Veterans of the National Liberation War of Yugoslavia." A day or two later the text of the appeal was sent to the Federal and Serbian Republic Committees of SUBNOR, to veterans' organizations of the capitals of the republics and provinces, and to all opstina committees and local associations of veterans in the Belgrade region.

Behind what appears to be the neutral title of this document is a message which even now, 1.5 months later, can be summed up in one word: unity. "Believe me, we weighed every phrase, every word, every comma," we were told by Stanko Matijasevic, chairman of the Belgrade City Committee of SUBNOR, one of the initiators of the "Veterans Appeal," as newspapermen have come to call this document.

"We are appealing," says the appeal of Belgrade veterans, "to all participants in the National Liberation War from throughout Yugoslavia to unite in defense of the revolution, in defense of integrity of the SFRY...."

Unity is not a word that has been banished. Nor probably would the appeal to veterans "to unite in defense of the revolution" have aroused the reactions which quickly became evident had there not been division in the veterans' organization. The appeal for unity, Stanko Matijasevic says, demonstrates that "there is disunity in the forums of the veterans' organization," but Bogdan Pecotic, chairman of the Federal Committee of SUBNOR, has declared that this appeal itself can cause disunity.

The appeal of Belgrade veterans, then, has evoked differing reactions. During the interview for NIN with Stanko Matijasevic there was a sizable heap of letters and telegrams on his desk addressed to the Belgrade City Committee of SUBNOR following publication of the appeal in the veterans' newspaper 4. JUL. That same veterans' newspaper, however, also published the statement by Bogdan Pecotic in which he said that the letter of the Belgrade veterans was an "act of manipulation of the rank and file." Between "full support" and "manipulation" we also single out the position taken by Boska Radulovic. She said, "The appeal of Belgrade veterans is very much toned down from what they actually think and say about the social situation. The veterans of that organization have the right to express their opinion and not to constantly fortify themselves with patience."

### Three Unacceptable Ideas

The debates and disagreements in the forums of the Veterans Alliance were smoldering even before publication of the appeal of the Belgrade veterans. One of the occasions was the meeting of chairmen and secretaries of sections of veterans of wartime brigades living in Belgrade, which was held back on 27 May in the Armed Forces Center in the capital. This was a tumultuous gathering involving the participation of more than 150 veterans (about 140 sections) ready and a bit impatient to state their opinion about the troubles in society, above all about the Kosovo drama and painful situation in which Serbs and Montenegrins have found themselves in that province.

An organizational oversight at the outset, for which the Presidium of the Belgrade City Committee of SUBNOR later made a public apology, presaged the subsequent controversies: the chairmen welcomed representatives of the federal and republic committees of SUBNOR, but it was subsequently established that because of a mistake they were not even invited. Moreover, the participants in the meeting demanded that the discussion begin as soon as possible, and the representative of the city committee,

it was later said in a meeting of the presidium, had no opportunity to fully present the "positions that had been agreed on, so that the meeting was not fully informed about them."

When the city committee of SUBNOR evaluated everything that was said in that meeting, it was forced to conclude that "there were several assessments and remarks which the organization cannot stand behind, although it does not dispute the right of any veteran to state his opinion in public." The things that the city committee "could not stand behind" were stated in a report sent to the federal committee:

"Ideas about the need for a new revolution with forces which are questionable. It is an untruthful assertion that the veterans of the Spanish Civil War have been proclaimed traitors because they expressed their view of problems in our country. It is unacceptable for all participants in the Bujane Conference to be considered enemies or members of the irredenta.

"In addition, the names of several people were unfortunately called out at that meeting without arguments. It was particularly improper to call the name of Sinan Hasani in connection with promotion of his book in Brussels and to link him to the fascist emigre community from Albania and Kosovo in Belgium. Back in 1981 there was public criticism of Stane Dolanc related to his statements in a press conference. It serves no purpose to repeat that criticism unendingly," the report stated.

The nonacceptance of certain opinions in that meeting by the city committee was still not enough for the report to be accepted easily in the federal committee. "A platform where people say such things seems to represent an alternative; the views presented are not those of veterans, not those to which veterans have committed themselves," Bozidar Gorjan said in the meeting of the federal committee. Dimitrije Popovic mentioned that among veterans there had been quite a few debates and disputes even before that, but he saw the May meeting of veterans in Belgrade as a "flagrant violation of the bylaws of the veterans' organization." "Radicalistic and extremist views in criticism of the situation in the country should give way to more concerted and responsible effort—it is a constructive effort that is needed, not rebellion."

### How To Stop the Veterans

Observing that he knew some of the discussants and that they "had exposed themselves as nationalists quite some time ago," General Petar Matic of Vojvodina concluded that he was "disturbed because of the fact that the deeper the crisis goes, the more confusion there is about the character of our country and about the positions on getting out of our difficulties."

The meeting in the Belgrade Armed Forces Center was seen quite differently by Dusan Pekic, Mihajlo Svabic, and Stanko Matijasevic.

"The Belgrade sections are made up of veterans from all parts of the country, and their composition is such that they will never get along with certain bureaucratic structures of the opstina, the city, or the republic," Stanko Matijasevic said. He said that a majority at that meeting were on the line of the League of Communists except in three cases, to which there was immediate reaction, although the newspapers did not record it.

"How are you to prevent the veterans from speaking, even if they exaggerate in some things?" Mihajlo Svabic wondered. The Belgrade meeting, Svabic went on to say, was only a reflection of the general dissatisfaction and concern, and how is one to prevent 800 generals and 18,000 colonels in the Belgrade veterans' organization from expressing their opinion—certainly not by appealing groundlessly to the bylaws?

Although the bylaws do not envisage such meetings of veterans, Dusan Pekic said, it is better to put the question of why such meetings occur than to be looking at the bylaws.

#### Criticism of the Criticism

The September meeting of the federal committee in which such visible signs of disunity were manifested did not eliminate the concern of the Belgrade veterans. Preparations for the appeal for unity were already well along at the time when the meeting of the federal committee took place, and the letter actually appeared some 20 days after the meeting.

"Ever since the letter was published in the newspaper 4. JUL," we were told by Stanko Matijasevic, "there has been more and more evidence every day that the veterans both in Belgrade and outside it are in complete agreement that unity is precisely what we need most urgently."

The presidium of the federal committee, however, did not agree, as has been announced, either with the document as a whole or with the way in which the letter was prepared and sent out. The Serbian Republic Committee of SUBNOR, according to Aleksandar Janic, accepted the "essence of the thought" contained in the appeal, but said that at this point we should refrain from emotional disputes over whether everything in this excessively long letter was correct or not.

"There are differing opinions," Aleksandar Janic said, "but there is no need to emphasize that we are dealing with disunity in the veterans' organization and we should undertake to resolve the problems in a business-like atmosphere and without nervousness. Quite a stir was caused by the reading of the appeal in the meeting of the republic committee. The constructive contents of the appeal should in fact be implemented."

The presidium of the federal committee reproached the city committee for not having "consulted the rank-and-file veterans" and for having expressed in the appeal opinions which it said were not representative of veterans. This pertains first of all to the demand for an extraordinary congress of the LCY and for resolving constitutional issues by a referendum.

At this point we should point to those passages in the appeal which mention the possibility of a referendum and an extraordinary congress of the LCY.

"The discussion of the Constitution," states the appeal of the Belgrade veterans, "must not experience the fate of earlier discussions and betray the hopes of the working class, the membership of the LCY, veterans of the National Liberation War, and young people. The position and demand of the Belgrade veterans' organization is that a nationwide referendum be organized as a democratic expression of the real will and interests of the people concerning those points at issue and alternative questions which cannot be agreed on at the level of provincial, republic, and federal structures and forums."

And on the extraordinary congress of the LCY:

"We expect that our party, which we have stood with, which we now stand with, and which we will stand with in the future, will once again pass the test of loyalty to the people, to the revolution, to socialism, and to Tito, since this time we are taking a test for which there will be no second chance. If the overall public action set in motion, as announced by the LCY Conference, betrays those expectations, an extraordinary congress of the LCY will inevitably have to be called."

In expressing those two views the Belgrade veterans' organization, says Bogdan Pecotic, overstepped its rights and came into conflict with the duties of veterans to "help the efforts of the country's leadership to overcome the economic and social crisis as soon as possible."

The Presidium of the Belgrade City Committee of SUBNOR responded to the criticism of the federal committee some 10 days ago, on 16 December. The unanimous position of the Belgrade veterans reads: "The criticism cannot be accepted."

"The appeal contains nothing that departs from the official policy and commitments of the LCY," Stevo Dokmanovic said on that occasion. "The appeal can be considered dramatic, but so is the state of society."

#### Forums Are One Thing and the Veterans Another

"Can the nonacceptance of the appeal by the presidium of the Federal Committee of SUBNOR be considered a consequence of disunity at the top of the veterans' organization?" we asked Stanko Matijasevic in an interview concerning all these events.



"Veterans' forums are one thing," Matijasevic answered, "and the veterans' organization something else. In all the republics and provinces the veterans are united, they have continued to tie their destinies to that of the revolution, while only individuals in veterans' forums are tied to the interests of their respective republic and provincial bureaucracies."

"What is upsetting the veterans most?"

"Preservation of the revolution, that is clear. Society has come to the verge of catastrophe, and unless something is done quickly to stabilize political and economic conditions, the question is what will happen to the revolution?"

"Are the veterans being ignored in your opinion, are they being pushed out to the margins of social events?"

"Those who are doing this, who from the heights of their bureaucratic positions are calling the veterans a 'vanguard,' know quite well why they are acting that way: they see the veterans as a compact force. They do not like insistence on a strong Yugoslavia, and I am convinced that that is something advocated by every veteran of the National Liberation War from Triglav to Djevdjelije."

"What is the principal trouble of society today?"

"The biggest problem is certainly morality. The political crisis is harder for us to take than the economic crisis, but most difficult of all is that the morality of the revolution is being degraded."

"Have certain veterans also contributed to that, those who have taken or are taking high political positions?"

"It is not true, though people sometimes think so, that all veterans have solved all of their problems as to material and social welfare; even today there are those who are living on welfare and dying in poverty. Nevertheless, they have not given up. Some of those who have taken high office and the material privileges that go with it have changed. I am unable to recognize many of my comrades. When I try to talk about this, it is said: we mustn't touch them. That pains me. That also makes for disunity among the veterans."

"And as for our appeal, I can only add that I would be happy if it had been sent out by the Federal Committee of SUBNOR."

[Box, p 25]

#### **Appeal to Veterans' Organizations and Veterans of the National Liberation War of Yugoslavia**

Abridged version of the veterans' appeal:

In this difficult moment of crisis, when the fate of the Yugoslav community of equal nationalities and ethnic minorities has been called into question, when the further

developments of the socialist revolution and results of postwar construction and zeal have been threatened, when both the unity and integrity of the Yugoslav People's Army are under attack, we issue the following appeal:

For all participants in the National Liberation War from throughout Yugoslavia to unite in defense of the Revolution, in defense of the integrity of the Socialist Federal Republic of Yugoslavia, primarily through a struggle for reestablishment of unity in the ranks of those who fought the revolution and its vanguard and for brotherhood and unity, as the basic postulate and crucial achievement of the National Liberation War and socialist revolution, guided in this by the precepts of Josip Broz Tito to the effect that "veterans have remained and must remain to the end in the first fighting ranks for defense of the Revolution";

For all veterans' forums, officers, and bodies to adopt and enact their decisions, positions, and conclusions on the basis of the goals and achievements of the socialist revolution, on the basis of the Program of the League of Communists of Yugoslavia, which is also the program of SUBNOR, and which is as well an obligation that arises out of the decisions and conclusions of the 10th Congress of SUBNOR of Yugoslavia, rather than on the basis of demands of various bureaucratic groupings;

For our wartime comrades who hold responsible positions and offices to act and exert influence so as to facilitate and contribute to achievement of unity in all domains of life and work, toward the main goal of overcoming the political and economic crisis and facilitating further development of socialism and self-management.

In issuing this appeal the Brigade City Committee of SUBNOR took as its point of departure the fact that the crisis in our society is deepening more and more in spite of all the efforts of the organized socialist forces.

Today, when we are all concerned about the future, when in spite of everything we are striving to preserve the legacy of those who remained behind on the battlefield and the promise we made more than once to Comrade Tito that we would preserve brotherhood and unity "as the apple of our eye," we must display revolutionary courage and integrity and remain fully loyal to that legacy and pledge.

Veterans of the National Liberation War have been expecting, and they continue to expect and demand, that as part of the upcoming constitutional amendments the unity of Yugoslavia as a whole will be guaranteed to the greatest possible extent. All the constitutional arrangements must be subordinated to that so that all the essential issues would be resolved in the interest of Yugoslavia as a whole, and not only in the interest of the republics or provinces.

At the same time, consideration must also be given to the specific features and differing needs of the republics and provinces and the nationalities and ethnic minorities whose sovereign rights they are exercising, but all those needs, however different they may be, must be pursued exclusively within the framework of the single interest of Yugoslavia as a whole. Only in that way can we start out on the roads of overcoming the problems, can we eliminate the sources of the crisis, especially those which have been manifested through escalation of the counterrevolution of Albanian nationalists and separatists in Kosovo.

Veterans of the National Liberation War have a historical and revolutionary obligation to expose all cases of disunity and to fight for changes in the commitments as to the system that lead toward putting an end once and for all to the wandering associated with the crisis, on behalf of a return to more stable social developments, and toward the goal of restoring hope and faith in our own resources and in the unity of our common homeland. More than ever in the past we should not only hear, but also inevitably respect the voice of public opinion, of the working class first of all. Everything must be done to achieve changes through the results of the constitutional amendment to guarantee the irrevocable self-management interest of the unified working class of Yugoslavia, an interest that is so crucially important to the unity and prosperity of our nationalities and ethnic minorities and to the integrity and unity of Yugoslavia.

Constitutional amendments must not be allowed that represent only a formal change of the present standards and which exclusively suit those who operate from positions of power and abuse of power. Such changes, it is certain, do not suit the working class, the working people, young people, or the veterans of this country.

Although we have sometimes been proclaimed unitarists because of this commitment of ours, in advocating these views we are adhering to Tito's words: that when the unity of our country, Yugoslavia as a whole, is in question, then it is not unitarism to strive for that unity, but simply a case of our unity.

For a long time now, time has not been working for bureaucratic haggling and compromises, but demands bold and radical changes. In the upcoming constitutional changes a battle should be waged for adoption of the solutions to which the majority are committed in a democratic discussion through the League of Communists and the Socialist Alliance. And those commitments are well-known. They have been expressed through the public discussion of the Proposal of Conclusions of the 13th Meeting of the LCY Central Committee, through the discussion as part of the preparations for the 11th LCY Congress, and through discussion of the Critical Analysis of Functioning of the Political System. The discussion of constitutional amendments must not experience the fate of those discussions and betray the hopes of the working class, the membership of the LCY, veterans of the National Liberation War, and young

people. It is the position and demand of the Belgrade veterans organization that a nationwide referendum be organized as a democratic expression of the real will and interest of the people on the points at issue or alternative questions which cannot be agreed on at the level of provincial, republic, and federal structures and forums.

Veterans of the National Liberation War expect the League of Communists of Yugoslavia to be keen and consistent in exposing disunity, first of all in its own ranks, and to vigorously settle accounts with all those who are an impediment to constructive processes to overcome the crisis. We expect our party, with which we have always stood, which we stand with now, and which we will stand with in the future, to pass the test once again of loyalty to the people, to the revolution, to socialism, and to Tito, since this time we are taking a test which cannot be taken again. If the overall social campaign which has been set in motion, as announced by the LCY Conference, betrays those expectations, an extraordinary congress of the LCY will inevitably have to be called.

We will be united just as we were through the seven enemy offensives, just as we were in the difficult days when we said "NO" to Stalin, just as we were when we rebuilt the devastated country. After all, only as Tito's revolutionaries can we overcome the problems which we have.

Belgrade City Committee of SUBNOR

[Box p 26]

#### Proposal and Applause for the Appeal

We asked Pero Lalovic, member of the Presidium of the Belgrade City Committee of SUBNOR, about the original idea and actual preparations to draft the appeal.

"In early November we had a working agreement involving several members of the presidium of the city committee, the chairman of the Serbian Republic Committee of SUBNOR, and one other member of the republic committee. Along with a number of other questions, the problem was raised of disunity in society. The chairman of the Serbian Republic Committee of SUBNOR presented a report on the growing disunity, especially in connection with the constitutional amendments.

The chairman of the republic committee proposed on that occasion that the Belgrade veterans' organization, since it is the largest organization and has the most influential membership, should make itself felt through an appeal to all veterans' organizations on behalf of a strengthening of unity. The initiative was taken up, as was the proposal of the republic committee that the draft of the appeal be read in a meeting of the republic committee on 10 November. The draft of the letter was met with applause in that meeting."

07045

**Academician on Dismissals, Serbian Nationalism,  
Fear of Reform**

28000062 Zagreb DANAS in Serbo-Croatian  
1 Dec 87 pp 17-19

[Interview with Dr Jovan Djordjevic, member of the Serbian Academy of Sciences and professor of constitutional law, by Miho Bondza: "The Bugbear of Reform Is Circulating Through Yugoslavia"; date and place not given]

[Text] An average reader of our press can hardly keep count of all the resignations that have been coming in a shower on the domestic political scene. They ought to demonstrate that there has been quite a bit of negligence and that the mechanism of social accountability must finally begin to operate. That frequently mentioned phrase about "bearing responsibility" is actually a cover for shockingly low effectiveness, and all the noise being made, Dr Jovan Djordjevic, professor and member of the academy, suggests, will obviously not reach the true target. Dr Djordjevic, who for years has been keeping abreast of the development of our political system and in a way has himself been taking part in its creation, says that "we are living in an irresponsible world in which anything can happen to you, since regulation of responsibility has been entirely left in the hands of those who have political authority and power. That is why even science is susceptible to that kind of atmosphere, and it is in fact favorable to certain scientific circles, since it destroys the existence of a free science and culture."

[Question] As the author of a number of books in this field we would put this question to you: What in general is the essence of responsibility?

[Answer] The essence of responsibility lies in freedom, just as the essence of freedom lies in responsibility, and logically if one is lacking, the other will be lacking as well. In a society which is atomized and broken up, the conditions do not exist for responsibility; it is an expression, then, of basic social values. The problems of responsibility or of its opposite are especially pronounced in socialist societies. For a long time responsibility was a taboo topic, and even science did not concern itself with it. While I had an opportunity to have a professional influence on the constitutions and laws, I attempted to incorporate elements of responsibility, but that effort met with little understanding, since often it did not suit political factors to have an advanced and independent society responsible only to itself. That is, when irresponsibility became entrenched in the highest positions of leadership, it was, of course, difficult to undertake anything. The gravest form of irresponsibility is in our managerial stratum and in the places of leadership in the League of Communists and in the government.

[Question] You have said that responsibility has been particularly neglected in the socialist societies. But still are we not a bit different from the others?

[Answer] Hardly, since even in our country the opinion long prevailed that responsibility would come about through intervention of the party and the control factors

of society; however, the party is not capable of seeing to responsibility, since it is at the center of irresponsibility, nor are the control factors capable of instilling elements of responsibility, since they deal in repression, and that generates conflicts and irresponsibility. And all of this is conducted out of the public eye, when without the public it is impossible to conceive responsibility.

[Question] The only aspect of responsibility in our country, then, is the fear which the lower level has of the higher level.

[Answer] It was believed that repression and hierarchy guarantee responsibility; however, they work only against those who stand in the way of that principle. Hierarchy is tolerated and even supported by irresponsible behavior, provided that it offers protection. Moreover, that type of responsibility is not in the interest of society at all, but operates in precisely the opposite direction. The root of our inequalities, conflicts, and various nationalisms lies precisely in the rule of the bureaucracy. We cannot anticipate an improvement of responsibility in that direction. But our people has not sunk into bureaucracy, and there lies the hope, that there is a strong base of support against the bureaucracy which has been threatening our future.

[Question] What about party responsibility for development of society which it has proclaimed?

[Answer] The responsibility of the party for development of society is a phrase that is excessively idealized. No one can be responsible for development of society except a social totality, and the party does not qualify as that. If without being carried away we take what Marxism says on this question, the party is responsible for the ideological guidance of society; however, in our country, by contrast, it has become a kind of *deus ex machina*. This has utterly deformed it, and its action has come down to futile meetings and empty rhetoric, to discussion among sterile mediocrities who have wormed their way into the party and into the government. At the same time, it has become powerless to create society and set it in motion, since it has turned politics into intrigue, into the settling of personal accounts, and into a struggle for power at the lowest level, and this is in any case a characteristic of a majority of present-day parties.

[Question] Can one point to moments when the party did fulfill the task of responsibility?

[Answer] The party has had several "shining moments." In arousing party members, all progressive people, and the entire nation to fight against fascism, for example. At that time, it performed a historical act, but we must not attribute to it the entire role, since the people was also involved there. The revolution was the work of the people which was guided by the party. The struggle against Stalinism also belongs



among its credits. I would also emphasize the party's decision to change socioeconomic relations and introduce self-management. I would conclude from this that there is no way out of the present crisis without radical changes, especially of the party and in the party.

[Question] How does the Constitution treat responsibility?

[Answer] Our Constitution has quite a bit to say about responsibility, but it is not specific. There was after all a fear that responsibility would be brought to bear on the high officials of society. When the 1974 Constitution was in effect, there was talk of responsibility of the president of the republic. However, even the minimum responsibility recognized in the history of constitutionality was not adopted: for example, responsibility for violation of the Constitution or for high treason. Thus an ambiguous, ineffective, and declarative statement about "responsibility to the Constitution" was incorporated, and this did not elaborate responsibility at all, since everyone is responsible to the Constitution! There are several beautiful thoughts in our Constitution, like the one about responsibility to oneself and to others, but there is also one that is Stalinistic in its reference to responsibility to society. However, responsibility for one's own work, which is the heart of responsibility, is not mentioned anywhere, precisely because of the fear I spoke about.

[Question] So, the resignation, which at the moment is very popular as a measure, still emerges as the main outcropping of responsibility.

[Answer] The resignation in our country is a piece of trickery, since it represents an evasion of responsibility, not a moral act of accepting a certain system of values. It is the trumped-up gesture of someone fleeing responsibility and seeming to take upon himself the criticism of that system. The resignation comes down to a demonstration of obstinacy, and as such it has almost no possible value except a certain value in the political sense, since in our country the positions of individuals have been held for a long time regardless of what they have been doing and what the consequences of their action have been. In that, I see some progress. I would not agree to a division of resignations into those which are voluntary and those which have been forced, as has been talked about in public, since every resignation is forced unless it is submitted by a leading group which does not wish to be associated with the "sinners" and forces them to resign, which it does at least for some personal reason, for example, so as not to bear the consequences. The voluntary and responsible resignation is very rare, since there are not very many people who are moral.

[Question] Resignations in our country have mostly been associated with exclusions and excommunications.

[Answer] Excommunication as we know it today has been created by the modern communist parties. This measure is supposed to demonstrate that the system is

not to be associated with the "sinner." This is a way of avoiding the error being attributed to the ruling stratum although in fact it has committed it, and the buck is passed to a scapegoat.

[Question] In the case of Pozderac's resignation was there communication between the public and the political superstructure, or was it brought about by exclusively personal reasons?

[Answer] I take a rather critical stance toward our public, that is, toward the factors which create it. The public in fact does not exist in our country in the scientific sense; it is a public that has been manipulated, rendered silent, and covered with makeup. Still, Hamdija Pozderac's resignation to a certain extent did make an opening for the public to develop and did prevent its being rendered silent, at least for a moment. The public certainly did have an impact on the resignation, without entering into its moral values, which I would not dispute, nor the fundamental procedural aspects which are ambiguous.... He was urged to condemn himself by a personal gesture without trial, and that undoubtedly had the effect of bringing forth the interest of the public. But a public is not something that comes as a gift, but is something created. Through the press and the other media it has started out on a search for the truth, and that is the great progress it has made. It has not only acquired the right to state its opinion, but also to create policy itself, to act. We might say that the public is slowly becoming an important factor in the life of society. And the public is what is left when the party and government are removed.

[Question] The daily press in Belgrade has been timid in reporting on the collective resignation of the editors of STUDENT. That gesture is very important in a discussion of responsibility; unfortunately, it had no response whatsoever.

[Answer] That resignation was demonstrative, in the deeper sense of a political resignation whose purpose was not to conceal, but to express disagreement. It was not a very "hot item" for the press and politics, which is why they were silent about it. However, our public ought to have known the reasons why it occurred. By maintaining that kind of silence the press is hampering the public and is demonstrating that it really prefers to stick to official reports issued by forums. It likes to be of service to those who pay it well rather than to those who are the real principals in society. It bores the public to death with meetings, and when something major happens, something of social, scientific, or other significance, it is silent.

[Question] Recently, there was a dispute in a conference about whether the press is gaining in importance thanks to its own power or because political power is poorly distributed.

[Answer] I am against one-sided assessments, since the press has not yet reached a very high level, but it appears to be capable of doing it. Since politics has turned into

nationalistic quarreling among the republics and provinces, it is beyond doubt that the press has been given its greatest impetus by the interest which our citizen has in taking part in the life of society, and that is the sole condition of democratization.

[Question] When we continue to examine these resignations of ours, we come upon those which occurred in the Belgrade party and which were of great interest to the press.

[Answer] You are probably referring to the case of the "forced" resignation of Dragisa Pavlovic. It is my opinion that there were several ways in which Pavlovic was condemned by his own constituency, the party, and comrades.... Incidentally, condemnation of a politician by his own community is far more serious than punishment of any other kind. However, this entire "game" with Pavlovic was overemphasized, since in the first place he is not a figure that deserves so much discussion, nor did he have any clear program which could have been criticized. Incidentally, he himself does not have that much political and ideological value.

[Question] There are differing opinions about that conflict in the various parts of the country. One that has been outspoken is that the Serbian nationalism Pavlovic was fighting against has been neglected in Milosevic's orientation toward Kosovo.

[Answer] I have already said that the role of a leader, theoretician, or ideologue should by no means be attributed to Pavlovic; he was a part of the machinery which he served, and he fell by the wayside. In Milosevic's policy one sees more vigorous action against the Skipetar nationalism in Kosovo and in SR Serbia. However, it is easy to pin the label of nationalism on the Serbs, and here we clearly need to distinguish nationalism from vigorous and consistent policy.

[Question] Is there a possibility that there could be a broader wave of nationalism through the mobilization of ethnic sentiments in Serbia?

[Answer] There is no problem at all that can be solved by marshaling nationalistic sentiments, and in particular the crisis cannot be overcome in this way. I do not favor any rallying around Serbian nationalism in order to solve the crisis of Kosovo, but I am in favor of a rallying and a mobilization of forces behind a program, of university students, workers, intellectuals, scientists, new social movements from all walks of society that would create a new and more democratic policy, a policy free of atavism, free of a past that has been condemned, and also free of bureaucratic politics.

[Question] Could we talk about the political mentality of the Serbs in order to arrive at a better understanding of the situation in Serbia. We have heard assertions to this effect that Serbia is losing in peacetime everything it gained in wartime, and then the opposite assertion that the Serbs want to subjugate all the other nationalities.

[Answer] I have always been skeptical toward theories about the mentality of a nationality and about the national spirit. I think that this is an antiscientific procedure from start to finish. I have written something about the Serbs and the "Serbian mentality," specifically about the behavior of the Serbs in certain historical situations. I think that it is only in those terms that one can speak. There does not exist anything that could be called the Serbian national mentality since talk like that is always either an attack or a defense—such ideas are always and inevitably used for some manipulation.

[Question] If we restricted ourselves to the present moment, what might be said about it?

[Answer] I would not underestimate the economic crisis we find ourselves in, but I would certainly put the moral and political crisis ahead of it. It seems to me that Serbia is in the most difficult position, especially because of Kosovo. Beyond that the bad situation is manifested in the disastrous situation in the economy and in politics, in the separation of politics from the people, in the attitude of politics toward intellectuals, in the bad personnel situation in politics and education, that is, in the inability of politicians to accentuate those key points of the crisis and to open up outlets for action.

[Question] The suggestion was made in a meeting of the Serbian LC Central Committee of a "quiet rehabilitation of the policy on the eve of the Brioni Plenum."

[Answer] That assessment could be based on statements and behavior of individuals, not on any activity that could be attributed to the Serbian people. Those individuals advocate a policy which is outside of history and their lectures about how the problems should be solved are utterly out of place. I am convinced that in this I share the opinion of the progressive forces in Serbia as well as that of the entire Serbian people and the people of Yugoslavia.

[Question] How do you look upon the attempt to rehabilitate the person and policy of Aleksandar Rankovic?

[Answer] None of that makes any sense. Possible mistakes, "white spots" as the Soviets call them, can be corrected only on the basis of a comprehensive scientific analysis that is accessible to the public and on which the public expresses its opinion. That kind of behavior must be free of ceremony, plenums, and similar things. After all, ceremonies are a sign that we are still allowing ourselves the right to make such mistakes.

[Question] In the context of the problems troubling Serbia its constitutional status also stands out. Judging by the present disposition in the provinces, that will not be an easy problem to work out.

[Answer] In a sense, Serbia has been deprived of the attributes of the federal unit, not solely through its own fault. Yet I think that assertions to the effect that it is the ultimate source of the constitutional crisis are exaggerated.

The error in constitutional law and political error is that Serbia allowed the provinces to be transformed into states whose ruling circles are so desirous of power that they have gone too far in emphasizing statehood. In the civilized world there is a tendency to diminish the attributes of statehood so that elements of a civilized society are more evident, but as we see primitive communities make a show of their statism. This is a problem both in Serbia and in Yugoslavia. I believe that it will be difficult to work out Serbia's constitutional status in view of what you have referred to as the disposition of the provinces. The essential thing is for us to free ourselves of the cult of statehood, which does not prevail in politics alone, but also in culture and everyday life. Those who hold such conceptions should be removed, not by physical pressures, but by knowledge, science, and culture. It should likewise be demonstrated that unity does not necessarily signify the centralism which the Comintern imposed as a mortgage on Serbia and which the followers of the Comintern accepted. Unity and integrity are a social value and thus more can be done to create it and to know it, to suppress stupidity, and to democratize society.

[Question] How do you evaluate the political climate in which the Constitution will be amended?

[Answer] The present situation is a bit worse than in 1971 and 1974, but in a sense it is also better. Some situations have begun to be evaluated more critically, and we are closer to the truth. During the period 1970-1974 all the quarrels and conflicts in which the present Constitution was born were behind closed doors, in various committees and constitutional committees. Very little was known as to the essence of the conflict and who stood for what.

[Question] What do you say about the new constitutional amendments?

[Answer] The way in which they were proposed is not a good one and is not at all suitable to a civilized society which has a tradition of constitutionality. It is impossible to amend the Constitution without critically establishing the situation requiring it to be changed. Instead the amendments are derived from the individual ambitions of republic policymakers. The so-called Critical Analysis... was neither critical nor an analysis. It was done by individuals whose task it was to agree or not agree with the orders and interests of the bureaucracy of their own respective republic or province. In that, there is no science, no knowledge, no integrity. It seems to me that judging on that basis there will not even be any significant changes in the Constitution itself, although I would not like to be glib. On the basis of the amendments which have been proposed, there are no real changes, but rather a great deal of cosmetics without real color.

[Question] The "notes" of Dragoslav Markovic have recently been the hit topic of the press. How did you perceive them?

[Answer] I can say as a citizen that Markovic has the right to publish them, assuming, of course, responsibility for their content. We have to allow him that, the objections have come from the bureaucrats who were hit by it. Markovic removed the mask from their faces, and that should be applauded. To be sure, he did not touch his own mask, and it also should be removed. There, of course, is no need to speak about how a broader stratum of citizens, members of the LC, and delegates have been shocked to realize the way in which our policy was created. The process of removing masks creates an opening toward the truth, at least in principle.

[Question] Where do you see the way out of the crisis? Does it lie only in establishing greater responsibility?

[Answer] There is no doubt that only a responsible society is in a position to carry out a program of changes, one of which would be responsibility. But responsibility does not lie exclusively in exposing those who are guilty, as it is usually thought, although their identification and punishment is not a matter of indifference. But that method can at the same time be deceiving and confusing. It has recently been recommended as a measure for calming down the present "unrest of the citizenry." In fundamental terms the way out of the crisis lies in alternativeness. Instead of the old, dead, and sterile ideas, we need new ones that correspond to modernization and democratization of a socialist society (to some extent they have already been formulated by Deng Xiaoping and Gorbachev). We particularly need new people who come from the real creative and active forces of society, not from the party apparatus. We also need new social movements able to fight authentically for the real interests and needs of the people and the individual.

Put simply, we need real and radical reforms that extend to the very socioeconomic and political structure of society while on the other hand we have the so-called proposed changes which do not change anything and are unable to mobilize the masses and set them in motion, even though the masses everywhere, including our own country, are demanding productive and energetic changes. It is important to all of this that science and politics define the concept of reform (which in our country gets only a timid mention from time to time) and this has to be far more than a reform of policy; that is, it has to be a reform which "disturbs" the ruling bureaucratic and managerial stratum, the so-called bigwigs. Marx once wrote that the world of communism visits royal palaces and frightens the kings. Today it could be said that the words *change* and *reform* visit the offices of bureaucrats and frighten all the bigwigs that have imposed themselves. Only new and productive ideas brought forth and carried out by new revolutionary social forces can be the basis for reflection and action in the direction of reform and in the direction of overcoming the present crisis in socialism and thereby in Yugoslavia as well.

07045



## HUNGARY

### **CEMA Reform From the Hungarian Perspective**

25000067 Budapest FIGYELO in Hungarian  
10 Dec 87 p 10

[Part two of a series, "CEMA Reform: Complexity and Gradual Progress"]

[Text] The 43rd (special) session of the CEMA held recently produced important ideas for the development of socialist integration. Lajos Osvath, Mihaly Patai and Ivan Szegvari present and evaluate the CEMA's reform from the point of view of Hungary. This is the topic of the second article.

The reform of the CEMA's cooperation system is a long-term process which requires and results in essential changes in both the goals and means of the integration. The formation of an advanced integration mechanism, based on the organic unity of central direction and the automatic movement of the market, is of decisive significance in this process. In the present situation, this determines the basic task as the comprehensive and qualitative development of the integration's commodity and monetary relations.

A decisive condition of the successful carrying out of this key task is the complexity, that is, consistency, of the reform steps. On the one hand, sufficient room should be created in the system of short- and medium-term goals of the integration so that there would be a chance of the evolution of the rearrangement process of the cooperation's mechanism in the indicated directions. On the other hand, the reform has to be implemented simultaneously both in the national management systems and the cooperation mechanisms, in a way that the two processes strengthen each other. Furthermore, the comprehensive development of the commodity and monetary relations presupposes deep changes in the other elements of the integration mechanism, too: in the coordination of economic policy, in the practice of plan coordination, in the organizational system of the CEMA, and in the legal and contractual relations of cooperation. Finally, taking as a starting point that the efficient operation of the integration mechanism can be envisioned only as a normative and consistent system, aid for the less developed countries is useful to be provided within a system separated from the general regulation.

#### **The Principle of Gradual Progress**

As a consequence of the contradictions between short-term possibilities and long-term tasks, another requirement of crucial importance of making substantial progress in the reform process is gradual implementation. To effect the evolution of reform obviously depends on the development of the national economic management systems, the changes in the real sphere (in the structural features and in the balance and efficiency relations) that can be achieved in the short and medium

run with taking into consideration the interrelated conflicts of interests, and the spreading of the new type of integration attitude. Gradual progress seems to be inevitable on two accounts. On the one hand, the reform, as clearly proven by earlier experiences, cannot be carried out on the basis of the smallest common denominator of the member states' national [economic] mechanisms. Speaking of the near future, meaningful reform cannot include all the member states, only those interested in it.

Gradual progress is needed also with regard to the content of the reform. Setting out reform steps which are unrealistic and, therefore, cannot be implemented in a given situation and by a given time, is just as much a source of danger as exaggerated caution, and the policy of small steps. The former would deprive the reform program of its reality and would inevitably lead to an automatic readjustment. Small steps, however, would rule out a quantitative alteration of the current system and would reduce the reform process to a mere pile of formal modifications. Therefore, realistic goals and employable mechanism solutions have to be clearly defined for each phase of the development, determining the way these are built on one another and what the turning points will be.

#### **Gradual Implementation**

In our opinion, three phases, differing in content, potential and task, of the integration development can be distinguished: the phase preparing radical reform, that of carrying out the radical change and that of forming advanced integration.

In the first phase, which would last until the turn of the decade, the present cooperation system would basically be in operation. The task of this phase would consist of creating the fundamental conditions for the radical reform, forming some perspective elements of the new form of integration and, through this, giving incentives to develop the national mechanisms. In this respect, the development of "The collective concept of the socialist international distribution of work until 2005" decided in the 43rd session is of extraordinary importance. This document has to determine the strategic principles and goals of the integration, the main directions of the international distribution of work, and with relation to these, the content of the individual reform phases of the integration mechanism.

An important part of the measure package to be introduced in the preparatory phase would be the formation of a forum and process of real economic policy coordination which would point beyond plan coordination. The main function of this would be the continuous coordination of national economic policy decisions related to the practical implementation of the strategic goals of the cooperation. A new element to be formed would be a decentralized sphere of cooperation outside the system of intergovernmental agreements, and free of plan commands and administrative obligations. The

direct inter-enterprise relations and joint enterprises which would be created in this framework would be organized initially to take advantage of the efficient cooperation opportunities unexplored by the system of intergovernmental relations.

Even in the short run, we ought to achieve turnaround-like changes in the financial and foreign currency mechanism of the integration. In our view, the most effective and consistent form of this would be to honor a part of the transferable ruble accounts payable with convertible currency. To ensure the adequate goods equivalent of the transferable goods liabilities, and so—in relation to the solution of another mechanism—the interest of both creditor and exporter, it is useful to involve the national currencies in the financial and currency systems of the cooperation. This could take place in the decentralized sphere in the first period.

In the field of contractual prices, the uniform application of world market prices is justified in all the spheres of the cooperation, including the microintegration connections and services provided among members.

The introduction of the second comprehensive measure package, which would essentially carry out the radical reconstruction, could be expected from 1991. The possibility to take this big step would be created by the reform already carried out in the national economic management systems, first of all, the internal Soviet radical reform. In this framework, the switch to management with primarily economic measures, the commercial marketing of the means of production, and real enterprise autonomy and self-financing would be realized. In this phase, the new cooperation mechanism would operate as a consistent system, differing in quality from the old one. It would mean a fundamental change that plan coordination, and intergovernmental agreements built on it, would embrace only cooperation involving large volumes and of strategic importance, and the role of value quotas would significantly increase in this area. Parallel to this, there would be a dramatic broadening of the decentralized cooperation sphere, and of autonomous relations initiated by enterprises without quotas attached. In this sphere, accounts would be alternatively in transferable ruble or national currencies. National currencies would have unified and published commercial rates. Partner states could exchange their transferable ruble accounts receivable for national currency at this rate. Debtor countries in bilateral relations should pay off their account balances in convertible currency to an increasing extent. Exchange rates reflecting real purchasing power relations between the transferable ruble and convertible currency would be formed.

The basis of pricing in the intergovernmental sphere of contractual prices would continue to be the direct adaptation of world market prices. In the microintegration sphere, however, prices would be fixed by interenterprise agreements. A condition of this, of course, is the carrying

out of national reforms, and the establishment of organic relationships, based on economic methods, between internal and external prices by national regulation.

#### Currency Convertibility

The introduction of the third measure package of the reform would take place at a later, coordinated time. In its content, this would already be an integration mechanism based on advanced goods and money relations. The decisive step would be to make the transferable ruble and the national currencies convertible. Billing and payment relationships would be conducted in national currencies, while the collective currency would serve primarily as reserve. This would mean the realization of the whole set of financial and currency conditions needed for multilateral cooperation. The system of contractual prices would become a system of competitive prices formed in relation to national and international expenses and the relations of demand and supply. Competitive prices within CEMA would be connected to the international prices basically through exchange rates and customs tariffs. Preferential interrelationships would take the form of free trading zones or perhaps customs unions. Free flow of goods, services and production factors would be implemented in the integration.

With the extension of the commodity and monetary relations, the central management and intergovernmental elements of the integration—and thus the coordination of economic and plan coordination—would undergo a qualitative transformation. Within this framework, a more efficient bilateral and multilateral coordination of interests, focused exclusively on questions of cooperation and developmental directions of strategic importance, could be effected.

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### POLAND

#### Polish, Soviet Enterprise Cooperation Law Published

26000149 Warsaw *MONITOR POLSKI* in Polish  
No 36, 14 Dec 87, Item 305, pp 485-490

[Resolution No 141 of the Council of Ministers dated 30 November 1987 regarding the implementation of the understanding between the government of the Polish People's Republic and the government of the Union of Soviet Socialist Republics on the fundamental principles of the formation and activity of joint enterprises and joint organizations]

[Text] The Council of Ministers resolves as follows:

Sec 1.1. The resolution defines the conditions and procedures for implementing in the Polish People's Republic the understanding between the government of the Polish People's Republic and the government of the

Union of Soviet Socialist Republics regarding the fundamental principles of the formation and activity of joint enterprises and joint organizations, signed in Warsaw on 15 October 1986, hereinafter called the "understanding."

2. The detailed principles for concluding contracts on the formation of joint enterprises and for the conducting by them of economic activity are contained in the recommendations which comprise the annex to the resolution.

Sec 2.1. Wherever in the resolution or in the annexed recommendations the term "joint enterprise" is used, it is understood to mean both an international enterprise as well as a foreign-capital company.

2. In preparing the founding documents for an international enterprise, in accordance with the resolutions and the annexed recommendations, the regulations of the economic-financial system of Polish state enterprises are applied.

3. The enterprises and organizations formed in the Polish People's Republic (PPR), referred to in Sec 3, and also the branches of joint enterprises located in the PPR and preparing balance sheets independently, whose headquarters are in the Union of Soviet Socialist Republics (USSR), are required to register in the statistical identification and classification system of organizations in the national economy.

Sec 3.1. The following may be formed in the PPR:

1) joint enterprises,

2) joint organizations (associations).

2. Joint enterprises are formed for the purpose of achieving effective economic results through production of goods, the performance of services, and other economic activity within the framework of the international socialist division of labor, and to take advantage of the scientific-technical and industrial potential of both countries.

3. It is the task of joint organizations (associations) to coordinate, on the basis of contracts and within their framework, all or part of the economic activity performed by the members of these organizations.

Sec 4.1. Joint enterprises may be established in the form of:

1) foreign-capital companies, in accordance with the provisions of the law dated 23 April 1986 on foreign-capital companies (DZIENNIK USTAW No 17, item 88, and 1987 No 33, item 181), hereinafter called "the law on foreign-capital companies."

2) international enterprises, in accordance with the provisions of Art 14 of the law dated 25 September 1981 on state enterprises (DZIENNIK USTAW 1987 No 35, item 201), hereinafter called "the law on state enterprises," and Art 42 of the law on foreign-capital companies.

2. Joint enterprises in the form of a foreign-capital company are established by way of a contract of partnership concluded according to Polish law between Polish and Soviet economic bodies which have legal-entity status.

3. A joint enterprise in the form of an international enterprise is established by concluding an international agreement, which should be accompanied by a statute. The undertaking of negotiations on establishing a joint enterprise in the form of an international enterprise requires the prior approval of the Minister of Foreign Economic Cooperation. The application in this matter should include justification for the establishing of an international enterprise and preliminary assumptions.

Sec 5.1. Joint organizations are formed by way of civil-law agreements, entered into by the economic entities on both sides, stipulating the contributions indispensable for the implementation of the joint economic goal; they function on the principle of joint management by the members or entrust the conduct of matters to one of them (a civil-law company). Joint organizations may also be formed by way of international agreements concluded by organs of the state administration.

2. A joint organization does not acquire legal-entity status according to Polish law, unless it is registered in the form of a foreign-capital company in accordance with the provisions of the trade code and the law on foreign-capital companies.

Sec 6. The concluding of an international agreement on the formation of an international enterprise or a joint organization takes place according to the procedure described in the Council of State and Council of Ministers resolution dated 28 December 1968 on the concluding and termination of international agreements.

Sec 7.1. Only a citizen of the PPR can be appointed to the position of director of a joint enterprise or joint organization.

2. The statute of the joint enterprise may stipulate that the workforce will elect its representatives, who have the right to express opinions and give advice.

Sec 8. Joint enterprises and joint organizations may be formed by agencies (missions), and joint enterprises may also be formed by branches in the PPR and the USSR, in accordance with the procedures stipulated for the formation of joint enterprises, if such rights were stipulated in the founding deed.



Sec 9. The formation of a joint enterprise is preceded by the preparation of technical and economic assumptions which, before transmittal to the Soviet side, must be approved by the pertinent organ of state administration and a team of investment experts in the Planning Commission of the Council of Ministers. The expenses connected with the preparation of the technical and economic assumptions for a joint enterprise whose formation turns out to be inadvisable, are borne equally by both sides.

Sec 10. The employees of a joint enterprise, who are foreigners are entitled to the following on the basis of reciprocity:

1) the right to receive in each calendar year two paid days off from work due to holidays in their countries. The days off may be granted only on the days of the holidays.

2) a wage supplement amounting to 25 percent of their base pay, charged to the costs of the joint enterprise. This supplement is taken into account in the calculation of the employee's average wage, contributions and mandatory social security deductions and in the collection of taxes and payments.

3) the right to send to their country of permanent residence savings not exceeding 50 percent of their wages or salaries.

4) the right to 30 calendar days of vacation each year, at the average rate of pay; with every successive vacation, a supplement amounting to 75 percent of a month's pay, reduced by the applicable taxes, is due.

5) exemption from customs duties on objects brought in for personal use when arriving for work in a joint enterprise and in traveling to the country of permanent residence upon completion of work, in according with the provisions of Polish law.

6) the right to take advantage of housing accommodations, municipal services and health services under the same conditions as Polish citizens.

Sec 11. The head of the Main Office of Statistics will define the principles of reporting affecting joint enterprises.

Sec 12. Polish state enterprises and other entities of the public sector, with the permission of the Minister of Foreign Cooperation expressed in consultation with the Minister of Finance, may form joint enterprises in the USSR. The conditions of formation and the principles of activity of the joint enterprises in the USSR are defined in the understanding and in Soviet legislation.

Sec 13. The organs of state administration give enterprises the indispensable assistance necessary for the formation of joint enterprises.

Sec 14. It is recommended that the boards of the central cooperative unions and the Central Crafts Union apply the provisions of the resolution when organizations affiliated with them form joint enterprises.

Sec 15. Supervision over implementation of the resolution is entrusted to the Government Representative for Cooperation and Joint Enterprises.

Sec 16. The resolution is effective on the date of publication.

Chairman of the Council of Ministers: (signed) Z. Messner Annex to Council of Ministers Resolution No 141 dated 30 November 1987. (item 305):

Recommendations on the Detailed Principles of Concluding Agreements on the Formation of Joint Enterprises and the Economic Activity Conducted by Them

#### 1. The principles of forming joint enterprises

1.1. Joint enterprises may be established in the form of limited-liability companies or stock companies operating in accordance with the provisions of the trade code and the law on foreign-capital companies by way of the contribution of the Polish member in the form of a share of buildings and structures, equipment and other material goods, the right to use land, buildings, structures and equipment, and other property rights (e.g., inventions, licenses, know-how), money in the currencies of member countries of the joint enterprise, in transferable rubles and in convertible currencies.

The conclusion by the state enterprise of a partnership contract requires the prior consent of the workers' council, in accordance with Art 24, par 1, pt 4, of the law dated 25 September 1981 on workforce self-management in a state enterprise (DZIENNIK USTAW No 24, item 123, 1986 No 17, item 88, and 1987 No 33, item 181), hereinafter called "the law on workforce self-management."

The property in the hands of a Polish state enterprise (both fixed assets as a whole as well as individual asset components), may be contributed as a share to the joint enterprise in the form of a company only by the state enterprise itself; this cannot be done or ordered by the parent organ.

1.2. The procedures and conditions for contributing (to the joint enterprise in the form of a company) property constituting the assets of the Polish state enterprise, may be as follows:

1) when contributing part of the fixed assets does not result in the discontinuance or considerable reduction of the activity anticipated in the document to establish a state enterprise (the enterprise continues its present production or service activity), only the permission of

the workers' council is needed to sell the property in the hands of this enterprise (Art 24, par 1, pt 10, of the law on workforce self-management).

2) when contributing to the company of part of the fixed assets of the enterprise would bring about the discontinuance or considerable reduction in the activity stipulated in the deed on forming the enterprise, a constitutive resolution by the workers' council is required (Art 24, par 1, pt 8, of the law on workforce self-management), and in addition, the provisions of Art 53, par 2, of the law on state enterprises may apply.

3) When the entire assets of a state enterprise are to be contributed to the company, this enterprise should be liquidated or merged with another enterprise, on the order of the parent organ (Art 25, par 1, of the law on state enterprises) in order that these assets can be contributed in the form of a share to the company by another state enterprise.

1.3. A joint enterprise may be established in the form of an international enterprise on the basis of Art 14 of the law on state enterprises and Art 42 of the law on foreign-capital companies by way of concluding an international agreement.

1.4. An international enterprise may be formed:

1) from the assets of a liquidated state enterprise, which the pertinent organ of state administration will contribute in the form of the Polish side's share,

2) by building a new enterprise on PPR territory through joint efforts and money.

1.5. The agreement on forming a joint enterprise may stipulate the expansion or reconstruction of the present state enterprise from funds contributed by members or from credits drawn for this purpose by the joint enterprise.

## 2. Statutory fund

2.1. In a joint enterprise a statutory fund is established from the contributions of the members, which can be made until the date that the joint enterprise is registered; the joint enterprise's founding deed may stipulate installment payments to enlarge the share in the statutory fund.

The founding agreement may stipulate that members are required to make additional payments into the statutory fund.

2.2. The statutory fund may be enlarged by the members out of their profits from the economic activity of the joint enterprise.

2.3. The statutory fund is denominated in zlotys and priced in transferable rubles.

2.4. The contributions to the statutory fund may include buildings and structures, equipment and other material assets, the right to use land, buildings and equipment, and other property rights (e.g., inventions, licenses, know-how), money in the currencies of the countries of the members of the joint enterprise, in transferable rubles and in convertible currencies.

2.5. A member of a joint enterprise may transfer his share to a third party only with the consent of the other member of this enterprise.

## 3. Methods of pricing contributions made to the statutory fund

3.1. The material assets contributed by the members of the joint enterprise are priced according to prices in foreign trade, fixed in accordance with the price-establishing rules and methods in effect in CEMA and the recommendations of the CEMA organs; these prices are converted into zlotys according to the current exchange rate established by the Polish National Bank (PNB). In the absence of such prices, the value of the assets contributed is agreed upon by the members.

3.2. If the object contributed by the Polish member is the assets of an enterprise which has been liquidated, the value of the contribution is established by the following methods:

1) the value of the asset in transferable rubles is established by pricing the asset in foreign-trade prices, taking into account the amount of wear or use; the price may be subjected to verification by independent experts at the expense of the member contributing the asset; the value of the asset in zlotys is established by multiplying the value in transferable rubles by the current exchange rate established by PNB.

2) when it is impossible to establish the value of the asset according to foreign-trade prices, or in other cases agreed-upon by the members, the asset may be priced on the basis of the balance-sheet value of the asset in zlotys, taking into account the price-growth of the individual components of fixed assets, according to Main Office of Statistics indicators updating the value of the asset groups for the pricing year, and the degree of wear or use of these components, and converting this amount into transferable rubles according to the current exchange rate established by PNB.

3.3. The principles described in pt 3.2 apply if the object of the Polish member's contribution is an eliminated state-enterprise plant.

3.4. When the construction of new buildings is anticipated for the formation of a joint enterprise, the cost of construction is determined directly in transferable rubles according to the principle of establishing contract prices used in the export of construction. The value of new buildings in zlotys is established by multiplying their

value in transferable rubles by the current rate of exchange of the zloty to the transferable ruble, established by PNB. The value of new buildings based on agreements between members may also be established based on the cost-estimate value of the construction in zlotys by converting this amount into transferable rubles using the current exchange rate of the zloty to the transferable ruble, established by PNB.

#### 4. Financial management

4.1. A joint enterprise conducts independent management on the principles of self-financing.

4.2. A joint enterprise accounts for the costs of its activity according to the principles binding upon a Polish state enterprise.

4.3. To convert transferable rubles and convertible currencies into zlotys, and zlotys into transferable rubles and convertible currencies, the current exchange rate of the transferable ruble and convertibles currencies in zlotys, established by PNB, is applied.

4.4. The joint enterprise's profit, after reduction by the taxes due, the deductions to supplement the enterprise's funds, and after reselling receipts in transferable rubles, referred to in pt 5.1, is divided among the members in proportion to their share in the statutory fund.

Part of the profit due the Soviet member is transmitted in transferable rubles without reductions, after converting the zlotys into transferable rubles according to the current exchange rate established by PNB.

When a joint enterprise obtains profit and net receipts in convertible currencies as a result of an excess of receipts from export over expenditures for import, part of the profit may be paid to members in convertible currencies, in proportion to their share in the statutory fund.

4.5. A joint enterprise is subject to taxation in accordance with the law dated 26 February 1982 on taxation of entities in the public sector (DZIENNIK USTAW, 1987, No 12, item 77, and if the enterprise established is in the form of a foreign-capital company, it is subject to taxation in accordance with the provisions of the law on foreign-capital companies.

4.6. When a joint enterprise is formed from a Polish state enterprise, a new base is established for calculating the tax on above-norm wage or salary payments.

4.7. A joint enterprise establishes funds in accordance with the principles binding on Polish state enterprises, and particularly in accordance with the provisions of the law dated 26 February 1982 on the financial management of state enterprises (DZIENNIK USTAW, 1986, No 8, item 44, No 39, item 192, No 47, item 226, and 1987, No 33, item 181).

4.8. A joint enterprise maintains accounts according to the principles established for entities in the public sector.

4.9. The amounts of amortization allowances derived from the rates applied to Polish state enterprises remain at the disposal of the joint enterprise.

#### 5. Foreign-exchange funding

5.1. A joint enterprise resells to the Polish foreign-exchange bank from 15 to 25 percent of its receipts in convertible currencies, obtained through export. The Minister of Foreign Economic Cooperation, in consultation with the Minister of Finance, establishes the amount of resales of receipts in foreign currencies individually for each joint enterprise.

5.2. An enterprise may resell some of the currency funds to a domestic coproducer in an amount which is indispensable to coproduction.

5.3. Funds in transferable rubles or convertible currencies may be resold by an enterprise to a Polish bank for zlotys at the rate of exchange in effect.

5.4. When, in order to ensure production, a joint enterprise must import indispensable materials and equipment from the second-payments area and it does not have its own funds in convertible currencies, the members of an enterprise may obligate themselves to resell to the enterprise convertible currencies for transferable rubles, in amounts proportional to the size of the enterprise's purchased production which requires foreign-exchange input.

#### 6. Principles of accounting and crediting for joint enterprises

6.1. The money of joint enterprises is accumulated in their accounts in Polish foreign-exchange banks. These banks, at the instruction of the joint enterprise, open and conduct the enterprise's accounts in Polish currency and foreign currencies and can grant credits to it on the same principles binding upon state enterprises, based on agreements concluded between the enterprise and the bank.

6.2. Joint enterprises, after prior agreement with the relevant foreign-exchange bank, may open accounts and apply for credits in the International Bank for Economic Cooperation, the International Investment Bank, Soviet banks, or other banks.

#### 7. Sales of production

7.1. A joint enterprise sells its production:

1) to Polish entities, applying the principles of price-fixing in effect in Poland.



2) to export, applying the principles of price-fixing and accounting procedures in effect in the foreign trade of the Polish People's Republic with a given country.

7.2. In selling goods abroad, a joint enterprise may independently conclude contracts if it has a license issued by the Minister of Foreign Economic Cooperation, or it may sell through the intermediation of Polish foreign-trade enterprises.

#### 8. Technical-materials supply and planning

8.1. A joint enterprise may conduct activity based on its own plan approved by the enterprise's director.

The joint enterprise plan is prepared with consideration to the courses of the socioeconomic development of the PPR and the USSR.

8.2. Unless the members of a joint enterprise have agreed otherwise, the supplying of technical materials to a joint enterprise takes place in accordance with the procedures and principles binding upon Polish state enterprises. This pertains also to prices of raw and other materials supplied to the enterprise.

8.3. In particular, the members of a joint enterprise may agree that a part of the technical materials involving scarce raw materials, fuels, and materials and equipment, will be supplied by the members proportionally to the size of the enterprise's purchased production. The members of a joint enterprise may also agree that all of the technical materials will be supplied by one of the members.

Deliveries of raw and other materials for a joint enterprise from a member's country are made on the basis of contracts, applying the prices in effect in foreign trade.

8.4. The founding agreements should stipulate that the import purchases of materials, fuels, raw materials and equipment, referred to in pt 8.3, will be regarded as being above the quotas of the deliveries covered by trade protocols concluded between the individual socialist countries, increasing these quotas correspondingly by the amounts of purchased raw and other materials.

#### 9. Employment

9.1. Employment and labor relations in joint enterprises are subject to Polish labor law. This principle also pertains to foreigners employed in the joint enterprise, unless an international agreement states otherwise.

9.2. Working conditions, the wage system, and the social entitlements of employees of a joint enterprise, are defined in the founding contract or understanding concluded by the director of this enterprise with the plant's union organization on the matter of a wage system or the workforce's social entitlements, in accordance with Polish labor law.

9.3. In employing foreigners for work in a joint enterprise, a contract for 4 years is signed. At the request of the member on whose recommendation the employee was hired, the director of the joint enterprise may extend the work contract.

#### 10. Social security

10.1. In regard to social security for employees in joint enterprises, Polish law applies.

10.2. Joint enterprises in particular:

1) pay a social security contribution,

2) implement tasks dealing with social security, the same as state enterprises,

3) settle with the Social Security Agency for money paid out as stipulated for state enterprises,

4) finance, out of their own funds, expenditures for sick benefits (within the limits of the funds allotted for wages) and nonrecurring claims for damages resulting from one-the-job accidents and occupational diseases.

#### 11. Registration of a joint enterprise

11.1. A joint enterprise acquires legal-entity status immediately upon being listed in the trade register, in accordance with the provisions of the law on foreign-capital companies.

11.2. The application for registration of a joint enterprise should be accompanied by the founders' declaration that monetary funds have been contributed and that nonmonetary contributions will be transferred when the joint enterprise is registered.

#### 12. Investigation of disputes

12.1. The jurisdiction of Polish courts in investigating disputes to which a joint enterprise is a party, is defined in Polish law, with the exceptions described in pt 12.2.

12.2. Disputes between an international enterprise and its members and between members, in connection with membership, are investigated in accordance with the convention on settlement through arbitration of civil-law disputes arising from economic and scientific-technical cooperation, signed in Moscow on 26 May 1972 (DZIENNIK USTAW No 7, items 37 and 38), unless the founding agreement stipulates that the dispute will be submitted for settlement to an ad hoc conciliation court.

#### 13. Liquidation of a joint enterprise

13.1. A joint enterprise is subject to liquidation with the expiration of the founding agreement. A joint enterprise may also be subject to liquidation in cases provided in

the founding agreement or in the statute. In matters not regulated in the founding agreement or statute, the provisions of Polish law apply to liquidation of the enterprise.

13.2. When a joint enterprise is liquidated, the Polish member has first priority in obtaining the property of this enterprise.

13.3. The money obtained from selling the assets of the liquidated enterprise, after satisfying creditors and obligations to the enterprise's employees, is divided between the members of the enterprise proportionally to the contributions made to the statutory fund.

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## YUGOSLAVIA

### Radical Reform Proposed To Remedy Economic Crisis

28000039 Zagreb DANAS in Serbo-Croatian  
1 Dec 87 pp 10-11

[Article by Slavko Goldstein and Marijan Kurosic, economists: "A Time for Radical Moves"]

[Text] The Saturday of 14 November 1987 was a painful and sad day for the SFRY Assembly: its deputies passed the Anti-Inflation Program which they themselves did not believe in. The program was nevertheless adopted with a resigned feeling of helplessness, since in the system by which our programs are adopted there actually was no other way out. Faced with convincing figures of a threatening acceleration of the already catastrophic inflation, the delegates knew that the country could not stand with its arms folded. Some kind of program had to be adopted, and they were offered only one. There was no alternative.

We think that this must never happen again. The SFRY Assembly must never again have only one single program before it when it faces such crucial decisions.

In making the case for the proposal of the Anti-Inflation Program which now has already been adopted, Milorad Milosavljevic, vice chairman of the FEC, said quite sincerely that not even the proponents themselves believed in the lasting effectiveness of freezing prices and other restrictive measures, but that they saw no other way out. In the opinion of the FEC the Yugoslav economy simply is not yet able to stand the transition to normal and free market behavior and conduct of economic activity. It follows from that, again in the opinion of the FEC, that restrictive measures are still indispensable.

We, on the contrary, think that the Yugoslav economy is no longer able to stand restrictive measures conceived in this way. Experience tells us that they have usually led us from one evil to one that was still worse. How long can

that go on? We think that the time has come for a radical change of direction toward liberation of the economy and toward market-oriented economic activity, in the belief that the initial risks of that change of direction are a far lesser evil than the lasting troubles which have been brought by all programs of the opposite kind.

We are convinced that the rebirth of workplace morale cannot be achieved by programs (like the Anti-Inflation Program which has now been adopted) which instead of giving the economy and economic activity more freedom, adopt more restrictions, control, and government interference. In our own program, then, we start from the opposite viewpoint: incentives are dominant over restrictions, freedom is dominant over all restrictions of freedom.

We have compressed our proposal under 10 points:

1. The SFRY Assembly, as the supreme body of constitutional power, proclaims the transition to an *Open Economy*. The essential definitions of the *Open Economy* are stated in a brief decision addressed to all working people and citizens of the SFRY:

a) Everyone is free to initiate any economic activity. The only condition is an application properly filled out which is submitted to the competent opstina and serves at the same time as a tax registration. All regulations which restrict people's opportunity to work and honestly earn their living are inhumane and therefore also unconstitutional in the context of unemployment. The only restrictions are those related to security (for example, firearms, poisons, etc., may not be manufactured without control or special permits) and to the technical aspects of public health and ecology, which would be monitored by the relevant inspectorate.

b) The Law on Associated Labor would be repealed. This would immediately free enterprises of the heavy burden of normativism and would make it easier for them to adapt to the needs of the market. A new and far more compressed Law on Enterprises, whose preparation would begin immediately, would make it possible for enterprises to become independent and self-managed economic entities in the full sense of those words: to independently choose and replace their professional managers, to determine distribution, to issue bonds if necessary, to reorient production programs, to sell or buy capital assets, and to bear full responsibility for their own decisions, with all the economic consequences right up to bankruptcy. The present charters of the organizations of associated labor would remain in effect until adoption of the new law.

c) Pluralism of ownership would be introduced: in addition to social ownership and government ownership, cooperative ownership, private ownership, and stock ownership would be given equal treatment in the conduct of economic activity. Government ownership would be distinguished in law from social

and the work collective would be clearly defined as the principal in social ownership. Stock ownership does not collide with government ownership, social ownership, or private ownership. It can coexist up to a certain level in any enterprise with all forms of ownership, and it therefore should be accepted (and encouraged) as probably the strongest potential at the moment for urgently needed capital.

d) Removal of all restrictions on exports and imports. Unrestricted supply and demand would form the exchange rate. The government would restrict export incentives (apart from the exchange rate), would reduce import protection (tariffs) to a reasonable measure, and the general import charge would be abolished. (As for trade with bilateral payments regions, exports and imports must unfortunately remain under a certain government regulation, but less stringent, of course, than at present.) All foreign exchange would be left to enterprises (exporters) except a certain percentage sold to the government to meet its needs.

e) All restrictive statutes and social compacts concerning the monitoring and restriction of salaries in the socialized sector of the economy would be repealed. Salaries would depend only on internal enactments and decisions and the capabilities of every enterprise, and enterprises would bear full responsibility and would bear all the consequences of salaries should they be out of proportion and of unprofitable business operation in general. In accordance with their own respective general economic standards the republics would set only the minimum salary beneath which there can be no employment relation and the upper limit beyond which progressive taxation begins.

f) The system of accounting based on income, which confuses the actual results of the enterprise and facilitates "juggling" and administrative intervention in business operation and salaries, would be abolished. A normal system of accounting would be established: gross income—costs—profit, which best corresponds to the requirements of a market economy and because of its clarity makes it easier to make self-management decisions concerning distribution.

g) Most prices would be freed from all controls. Some prices, the smaller portion, would remain under controls (for example, energy, the railroads, etc.), and disproportions in prices would be gradually reduced.

h) Private initiative and saving would be invigorated in every way: limits would be put on opstina taxes on small business, the possibility would be opened for socially owned housing units to be purchased and pass into private ownership, there would be incentives for a return to agriculture, the maximum landholding would be abolished, individuals would be given incentives to save foreign exchange and to invest it, private individuals would be allowed to invest in socially owned enterprises

(bonds, stock, creation of jobs, etc.), restrictions would be abolished on the number of persons private entrepreneurs can employ, and so on.

i) The *Open Economy* program signifies de facto a decisive change of direction toward a market economy. In that context some enterprises will necessarily gain strength, and some will go under. The government will not rescue unprofitable enterprises (except in the infrastructure), but will provide credit financing and will provide incentives in other ways for all the working people left without work who want to start a sound new economic activity.

2. Work would be halted on the present proposals of the constitutional amendments, which would be sent back to the Constitutional Commission as being insufficient in the present situation. The SFRY Assembly would appoint a council for constitutional reform and reform of the system, which would organize the work of preparing the constitutional reform and of preparing the fundamental new laws (the Law on Enterprises, the Law on Foreign Commerce and Foreign Exchange Transactions, etc.) on the basis of a pluralism of ideas: a number of proposals would be requested, and the best would be chosen by means of universal popular expression (for adoption of constitutional reforms). The council would have to be made up of persons of socialist and democratic orientation who stand above particularistic interests; for example, Predrag Vranicki, Slavko Borojevic, Koca Popovic, Jozse Smole, Branko Mamula, Kiro Gligorov, Dzemil Sarac, Zoran Pajnic, Vojko Kovacevic, Eugen Pusic, and others like them. The council would have broad powers, one of which would be to appoint all necessary working bodies that would actually prepare the constitutional reform or the new laws.

3. Since some of the reforms envisaged here cannot be carried out in the framework of the present constitutional and legal system, and since there is no time for postponement, the SFRY Assembly would enact the Law on Temporary Measures under Article 301 of the SFRY Constitution. The temporary measures are constitutionally limited to a period of 1 year, but there is a legitimate way of possibly extending that to a maximum of 1 more year. Within that period the constitutional reform must be enacted, and new elections held in accordance with its provisions to form a new assembly and government. Until then the Law on Temporary Measures would place power in a new Provisional Government. The Assembly would nominate several candidates to head that government. We think that the candidates should be sought among the most effective Slovenian business executives or officials in the Economic Chamber of Slovenia. The Assembly would grant a mandate to form a government to that candidate who submitted the most convincing program. The decision would be made by secret vote in the Assembly.

4. The constitutional reform would allow development of republic pluralism in various domains of the economic and political-legal system. In part, this might



already be initiated in the Law on Temporary Measures itself. This would merely acknowledge the actual state of affairs that has come about because of the enduring differences in the economic and cultural development of the various nationalities and parts of Yugoslavia. The country's underdeveloped parts must not be a brake on reform of the system needed for the advanced parts, nor would the more advanced be able to impose their model on the less developed. Seeking to enforce a unity that does not exist inevitably paralyzes decisionmaking and causes frustration and mutual back-biting, and animosities develop which operate against the desired sense of community. That is why recognition of republic pluralism in the system makes relations within Yugoslavia easier and promotes a spirit of community. The large differences in legal systems from one state to another are no hindrance at all to the integrity of the United States of America. An unrestricted common market and free circulation of ideas, initiative, labor, and capital are the strongest factor for integration. At the same time, the pluralism of the features embodying the system gradually brings about a mutual adoption of constructive experiences of others, all the way to mutual influences which reduce differences and strengthen a real spirit of community and real unity. Of course, that pluralism must still be limited by certain common foundations, such as national defense, foreign policy, the customs system, foreign trade, departments for public order and security, inspectorates, the election system for federal offices, and the fundamental principles defining the system of self-management and socialist democracy.

5. Federal laws would strictly preserve and promote the unity and integrity of the Yugoslav market: free circulation of goods, labor, capital, entrepreneurial ideas, and personal initiative. All local and regional statutes would be repealed which in any way impede the movement of investments and entrepreneurial initiative over regional borders (such as the present statutes on registration of business activities and on establishment of new business operations, on appointment of new professional managers, on disposition of profit, etc.). The Fund for Development of the Underdeveloped Republics and Kosovo would be abolished, and a *Development Bank* would be established; resources to aid the underdeveloped regions in all the republics would be channeled through this bank on the basis of economic criteria. It would strive for more harmonious development of regions on the basis of real capital formation, not by means of inflationary issue of notes. There would be greater coreponsibility of the Federation for the effective use of those resources.

6. Consistently and rigorously stronger monetary authority, which would become independent of political power and might. The National Bank of Yugoslavia would not be able to engage in credit operations, nor could it use primary note issue to meet the needs of the government. A strictly restrictive monetary policy would be introduced and would suppress one part of inflation as economic activity comes back to life. Interest rates would become an important instrument of monetary

policy, and differences would be drastically reduced between lending rates (on loans) and borrowing rates (paid on savings). Independence of the business banks is also a precondition for establishing order in the financial system, for eliminating losses in the business banks and in the National Bank of Yugoslavia, and for normal operation of other financial institutions which it necessarily expands or introduces.

7. Resources to finance budget expenditures (of the Federation, the republics, and opstinas) would be reduced in the 1st year by 10 percent in real terms in order to reduce the share of budget expenditure in the social product by 5 index points. This presupposes a radical change in the organization of the government administration, a reduction of administrative institutions, the diplomatic service, public relations and entertainment, and indeed even the costs of defense, and certain quasi-governmental institutions would be abolished, above all a majority of the SLZ's and those institutions which become superfluous or awkward in the process of liberation of the economy. The functions of the Social Accounting Service would be reduced merely to its activity as an inspectorate. As further economy measures some of the government automobiles and villas, and all estates and hunting grounds would be sold to enterprises or to private individuals or would be turned over to the economy for commercial exploitation. Subsidized summer resorts and restaurants for the privileged would be abolished. There would be a 5-year moratorium on all government and social subsidies for various commemorations, monuments, commemorative volumes, and ceremonial festivities. Salaries of officials would be increased, but at the same time all of their privileges would be abolished except travel necessary to performance of their official duties. Real budget resources for financing fundamental scientific research and stimulating innovative activity in the economy would be increased.

8. A revival of business ethics and respect for legal statutes in conduct of economic activity can be achieved only by reasonable reduction of those statutes (deregulation), not by multiplying them. Legislative inflation has devalued the legal system in our economy. Many laws and statutes are unenforceable, and some contradict one another. This results in excessively frequent conduct of business on the edge (or over the edge) of the law. When the body of legislation is reduced to a normal measure, strict respect for it will be possible (and will be demanded). The same thing also applies to inspectorates: We do not need them in their multiplied and diluted form, but inspectorates that are reduced, but strict, professional, and effective. An economy cannot be healthy without sensible legal standards, standards that do not go against the conduct of economic activity, but make it possible to do business and to live as harmoniously as possible.

9. Yugoslavia's policy of peaceful coexistence and non-alignment was formulated in the period of the harshest cold war and menacing atomic tests, as a response to the

maximum division of the world into blocs. Now the trend is quite the opposite: Limitation and reduction of armament, negotiations with good prospects, a loosening up of the blocs both from within and toward the other bloc, expansion of cooperation in all directions, convergence of capitalism and socialism in many aspects, and unification of Europe. Yugoslavia cannot remain outside those developments for reasons that are equally political and economic. Nor can it achieve its own ambitions in development relying on the underdeveloped world instead of an advanced Europe. On the contrary, Yugoslavia, even as it is now, torn by crisis, can play a pioneering role of its own in European developments. It could become a fertile catalyst between Europe's east and west, between the capitalist and socialist countries. Yugoslavia must strive to become the first socialist country to become a member of the European Community and other integrative bodies in western Europe while retaining its socialist system and at the same time without weakening its ties with eastern Europe and the nonaligned world. What is more, perhaps it would even strengthen them precisely through that status? Perhaps it could become a full member of the European Community and CEMA at the same time, which would signify that both organizations must moderate to some extent their exclusiveness and begin to come closer to one another? That would open up altogether new integrative processes throughout Europe in which Yugoslavia could play a role to the benefit of Europe and to its own benefit at one and the same time.

10. The League of Communists of Yugoslavia would go back to the most important and progressive principles proclaimed in the Ljubljana Program of 1958, it would renounce the role of the "party in power" and would become the leader in development of multiprogram (pluralistic) socialist democracy. It would renounce the monopoly in personnel policy, it would cease to consider itself the monitor of every little thing and the supreme arbiter in all situations. It would open up space for democratic pluralism of ideas and programs, and by virtue of that major change of direction it would again assume a pioneering role in the world socialist movement.

We are aware that we are proposing a radical reform here for which certain influential factors in our society are not yet ready. Unfortunately, we are afraid that none of the 10 points that have been stated can be watered down by compromise or omitted. The program can be effective only through the mutual influence of all its components, which take on their value only in their complementarity. Three or four years ago quite a bit of this could have been saved with a somewhat milder reform, but in a year or 2 not even the radical reform proposed here will any longer be sufficient. When you have not cut the meadow for 2 or 3 years, your scythe no longer helps, you can only break it. You have to clear away the brush.

### Development of Domestic Computers, Challenge to IBM

28000052 Zagreb VJESNIK in Serbo-Croatian  
6, 13 Dec 87

[Article by Stane Pucko: "'Iskra' Against Goliath"]

6 Dec 87 p 6

[Text] Could we think at all about our own development and future if, for example, we did not know how to generate electric power ourselves?

That question, which actually contains its own answer, can serve to clarify what is a frequent dilemma for us when it is applied to the postindustrial era of informatics: Do we really have to intensify the development and production of our own computers, or is it preferable to be satisfied with peripheral industrial cooperation with multinational companies, and simply import computers?

In other (or the same) words, can we conceive our development and transition to an up-to-date technological society without the knowledge and ability to produce the principal equipment for operating information systems, i.e., computers of the new generations coming one after the other?

The occasion for this kind of reflection is the new "Iskra-Delta" research and production center just opened in Ljubljana, which is actually our first computer factory in the true sense. The event might have escaped attention of the broader Yugoslav public had it not taken place precisely at the beginning of a new period in the computer war which world producers are waging on our soil. In that lengthy war, which has gone on for several decades now, the "multinationals" were not greatly disturbed by the Yugoslav attempt to manufacture computers. It was much more important for them to find representatives in Yugoslavia who would work on commission and know how to open up our market to sell their finished products and licenses. There is no point in expending many words to prove the hunger for computer technology which will persist in our country for a long time yet. A sufficient illustration is the datum that at the moment there are about 80 producers in the country, large and small, mainly assemblers of computers and systems all dependent upon their sponsors abroad.

### Fathers and Children

Someone recently joked that everyone concerned with computers in Yugoslavia has a daddy somewhere outside. That certainly means that the daddies abroad also have their progeny in Yugoslavia; that is, it would be foolish to speak only about the one-sided interest of the foreign producers and to overlook the interest of our own organizations, most of which are interested above all in the quick and abundant earnings and much less interested in mastering that production which more and more will be the driving force behind our overall development.

In the war on our soil there will in large part continue to be a veil of secrecy covering all the kinds of penetrations and "undertakings" used by the foreign producers or partners. We can only assume that on a market like ours there is fertile soil for production of secrets. That gives ever greater importance to the birth of an authentic domestic computer manufacturer which even now accounts for approximately half of the computer capacity in the country.

The people at "Iskra-Delta" make no secret of the way in which they obtained their knowledge.

"We did it the way the Japanese do it," says Janez Strubelj, graduate engineer, who is the general director.

"We decoded the achievements of others, transformed them, supplemented them, and developed them into our own products. But a great deal of knowledge and technology is needed even for something like that. In development alone at 'Iskra-Delta' there are 380 experts with academy education.

"We are now capable of building complete systems which we can say are truly ours. We will continue to purchase certain components on the world market in the same way that all computer manufacturers do. We are not a 'multinational' by any means. Compared to them, we are poor men, but we are still independent."

"Iskra-Delta" is the first and only Yugoslav computer manufacturer accepted into membership in the international Association of Computer Manufacturers "CO-COM" in Paris, and that means that it will be able to examine a sizable portion of world computer technology.

#### A Thorn in the Heel

In these terms, then, it perhaps becomes clear why "poor" "Iskra-Delta" has all of a sudden become a thorn in the heel of such a giant as IBM, which is the strongest of all the world firms on the Yugoslav market. With the new factory "Iskra-Delta" is becoming a competitor capable of a moderately large series production of a few hundred minisystems a year, a few thousand supermicrosystems, and a few tens of thousands of modules for various computer systems. A special facility necessary for testing modules has been set up in the new factory. It was purchased for \$500,000 from the only world producer, who supplies all the large world manufacturers.

In Ljubljana development and production have actually now been merged at a single site which up to now were scattered over six sites in Ljubljana and Kranj.

With its labor force of 1,800 "Iskra-Delta" has so far been selling a fifth of its output abroad, and over the next few years that proportion will increase to at least half of total output. Foreign trading partners, IBM above all, are most disturbed by that other half which will be sold on the domestic market.

So if it were not for the new "Iskra-Delta" factory, little would be known about yet another plant for the production or assembly of computers being completed in Ljubljana. The investor is "Intertrade" of Ljubljana, IBM's general representative for Yugoslavia, in collaboration with foreign partners.

Figures are "leaking out" to the public bit by bit to the effect that "IBM Europe" has supposedly offered our country, that is Slovenia, construction of a computer factory "IBM Yugoslavia" as an integral part of "IBM Europe," in which certain components would be produced to meet the needs of IBM. "Intertrade" would in turn import complete computers; that is, it would assemble them in Yugoslavia. It is said to involve a transfer of technology from the IBM factory in Greenock, Scotland. Production of the IBM PC computer has been halted there, and it would be resumed in our country with something more up-to-date.

The people at "Iskra-Delta" are not greatly disturbed by the competition, although, as presented to a portion of the Yugoslav public, it is not a question of a confrontation with "Intertrade," but directly with an IBM factory. On a world scale this is a conflict like that of David and Goliath; it is well-known that the IBM Corporation is worth nearly \$50 billion. From the standpoint of the domestic market and its potential, the ratio is significantly more favorable to "Iskra-Delta," and that explains the attention which people from Ljubljana have evoked. With a new factory in Yugoslavia in which IBM would presumably have majority control that multinational company would dig in still more firmly on our market, not only relative to domestic competition, but also relative to the foreign competition.

"The reactions of foreign computer suppliers are a logical consequence of our ever stronger presence on the market," says director Janez Strubelj. "Foreigners must be mindful of their own price policy, and without us their prices would certainly be 20 to 30 percent higher. We also have an impact on the quality of their technological and other offering. As far as the "Intertrade" plant goes, it should be borne in mind that IBM will never relinquish technology that will be on the level of ours, and that means that it will be perpetually dependent upon the foreign partner.

Approximately 2 weeks ago a lobby was established in Belgrade consisting of "BRI"—"Belgrade Computer Industry," "Electronic Industry" of Nis, "Energoinvest Iris" of Sarajevo, and "Iskra-Delta," and this was the result of an effort to achieve stronger firepower in the battle against the "multinationals."

#### A Letter [and] Decisions

The four sent a letter to the Federal Executive Council warning that without government support domestic computer manufacturers would soon be exhausted in competition against foreigners who with the strength of



their capital can offer much more favorable sales terms. They did not seek from the Federal Executive Council any sort of special privileges, but only creation of the possibility that domestic manufacturers would be able to offer domestic customers the same conditions as the foreigners; that means selective credit financing of computer customers. That also implies the possibility of leasing domestic computers and computer systems with possible later purchase or sale. That kind of practice is being abundantly used by the "multinationals," IBM most of all, and the value of computers purchased or used in this way is estimated at \$1 billion in our country.

Domestic producers feel that it would be very worthwhile if they were informed in good time about the intentions of agencies administering large systems to introduce computerization, since then they could prepare to compete with the foreign competitors.

"Then we would be able to offer the 'multinationals' competition and to assure our further joint development," Janez Strubelj says, adding: "We would never favor eliminating the competition, since that is what drives us to develop. But if we are able to prove that we can offer our own products at the world level, then an assessment should be made as to which is better."

The Federal Executive Council was certainly placed in a delicate position by the letter referred. Since "Iskra-Delta" has gone deeply in debt because of construction of the new factory, it turned for help at the level of the republic, and that put the republic executive council in a bind. "Iskra-Delta" is now in a situation where far-reaching decisions must be made about the fate of domestic computer manufacturing. On the one hand there is IBM offering capital and technology, but not offering greater promise for mastering computerization on the basis of domestic knowledge, while on the other hand there is "Iskra-Delta," which needs money, but promises independence, a point that is not lost on the Yugoslav People's Army. There obviously are great dilemmas and temptations. Especially since the IBM director for Europe has just made a visit to Ljubljana. Although he came to look at his plant, it is certain that he would much rather have taken a look at the "Iskra-Delta Center." What the general did on his own in the first line of the computer front we still have to see.

13 Dec 87 p 6

The news that this December two factories would be opened in Ljubljana to make computers has given a topical edge to our public debate about the prospects for domestic computer production, about how well domestic producers are organized, but also about the struggle for the Yugoslav market in which many well-known world producers and, of course, domestic producers are taking part.

The first factory, actually it is the "Iskra-Delta" research and production center, has already been officially opened, while the other—covered by an arrangement of Ljubljana "Intertrade," the general IBM representative for Yugoslavia, is to be opened next week.

Last week in NEDJELNI VJESNIK, we might briefly recall, we wrote about the new achievement of "Iskra-Delta," which, they say in that collective, thanks to years of patient work and gathering of knowledge has managed the master production of computers and computer systems to the point where they can offer the market a Yugoslav computer which does not depend for its design on foreign partners, in other words, on direct competitors. "Iskra-Delta" has built its own technology which large world computer manufacturers can no longer look at and it has obtained technology which allows it even a very delicate phase in the technology, and that is the testing of its own computers or assemblies, whereby it has ensured protection of its technology as a trade secret. In other words, none of the neighbors of "Iskra-Delta" can take a peek into the "kitchen" where it makes its computers.

#### Unrealistic Ambitions

Together with several other domestic manufacturers "Iskra-Delta" has called upon the FEC to guarantee the domestic offering of computers the same conditions which foreign bidders or their representatives have, and also that domestic producers be informed in time about the intentions of the administration and large technological systems to obtain computers and computer systems so that they might prepare to successfully compete with the suppliers from abroad. In any case, "Iskra-Delta" has nothing against competition from abroad. They even feel that it is welcome, since it stimulates development, but they are convinced that Yugoslavia must develop production of its own computers, since there is no other way, just as it would not be possible to develop without generating our own electric power.

Development based on our own knowledge is the right way, but it is not the road on which "Intertrade," for example, has embarked on, since in collaboration with the IBM Corporation it will always be technologically dependent and will be able to obtain computer technology only to whatever level is allowed by the foreign partner, we were told at "Iskra-Delta."

Since IBM, along with "Intertrade," is one of the largest, if not the largest, "multinational" that is present on our market, and since this presence is strengthened even more with the construction of the new plant, which is also called a development and production center with capacities for small and medium-size series production of computers and computer systems, we ought to learn what they think in that Ljubljana company about the development of computers and of computer production in Yugoslavia.

"There must be an ambition for Yugoslavia to manufacture its own computers," is the view of director Zvonko Cebasek. "The question, however, is how this can be achieved or whether this can be done at all in a manner that is economically justifiable. Quite a few years ago the Economic Chamber of Yugoslavia attempted to bring all of our producers together into an association to carry out a single Yugoslav computer program. But because of the differing

interests and philosophies of their foreign 'principals,' each of the domestic producers continued to go its own way. There might possibly be a unified program if there existed a joint fund for development of domestic computer equipment. But here again it should be borne in mind," Cebasek warned, "that development of that kind requires immense resources, a great many personnel, much knowledge, and, of course, time. And if we had all that, we would still be lagging behind the West. Meanwhile, in Yugoslavia we do not have enough money, we do not have enough personnel, nor do we have the time, so that the ambitions about our own computer program are not realistic; that is, they are not feasible. In addition, domestic production of computers that would be truly our own would be justified only if this as a whole was profitable for the domestic and foreign market and independent down to the last screw. That is why," according to "Intertrade," "it is pure Utopia to think about our own production of mini and mainframe computers."

#### Weak Middle Section

What, then, is "Intertrade's" recipe or strategy?

"Cooperation with the present-day world development of computers. In this way, at least with respect to IBM and its products, the latest achievements in computer technology will always be present on the Yugoslav market, and here the question arises, of course, of whether we really need the most recent technology right now," says Cebasek, while Danijel Vovk, director for development, explains that our involvement in production and development of computers is best at the base and at the very top of the computer pyramid, but not in its middle section.

Such an approach has already proven to be quite successful. The door of IBM was opened to "Intertrade" by the factory "Donit" in Medvoda near Ljubljana, which is producing high-quality filters for that multinational. Another 18 Yugoslav producers are making various components for IBM, and there are new projects under way valued at \$30 million a year, all of them through "Intertrade." In manufacturing for IBM our producers are gaining the highest level of technological and business capability and in this way obtain valuable "know-how." "Iskra," for example, is making parts installed in IBM's newest computers. It is in fact a question of orienting production toward industrial standards that apply in the world and thereby of our inclusion in world technological processes.

#### The "Computer War" Continues

At "Intertrade" they do not deny the assertion that their strategy signifies technological dependence in production on foreign "principals," but only when it comes to truly recent achievements. The good side, however, is that as users we are always in contact with that same technology. Nor do they deny the strategy which "Iskra-Delta" has chosen, and they even believe that it complements their own.

"It is a mistaken impression, however, that IBM Yugoslav is imposing itself with large resources," Cebasek notes. "We also built the new plant with our own resources, and the technology found in it is mostly domestic. IBM counts us among its soundest partners; our technical personnel are on an enviable level, and in the new factory we will not be involved with any outdated computer technologies. It is not a question of the PC, but of the PS generation, which will be carrying our trademark and which will, of course, be sold for the domestic currency. This is in fact the result of our successful collaboration with the IBM firm, in which we have managed and are still managing to involve Yugoslav producers, and in exchange we are getting their best technology. We have a right to it, since by selling their computers on the Yugoslav market we are bringing in resources for IBM's development. And as for exporting the computers that will be built in our factory, we are not subject to any restrictions at all."

Nor do they agree at "Intertrade" that domestic producers are in an unequal position relative to foreign manufacturers or their representatives. The business conditions are the same for all, they say, the only question is the resources for credit financing; that is, some have them and some do not.

This, then, is "Intertrade's" business philosophy, presented in compressed form. There is no doubt that the Yugoslav market will for a long time yet be interested in both domestic and foreign computer manufacturers. Although our market takes up only 0.5 percent of the sales on IBM's balance sheet, it should not be doubted that foreign suppliers want to hold their place on that market and become still stronger, and that also applies to IBM. "Intertrade's" new factory for IBM computers can be understood as the desire of one of the largest multinationals to engage in technological cooperation with Yugoslavia, and it can also be viewed as a new commercial undertaking in selling computers by using cooperation to change the product's origin. In any case, the battle for the market called the "computer war" is continuing, and at this point it is actually impossible to see the end of it. At "Intertrade" they are certainly right when they say that we need cooperation with up-to-date world technological flows. They are also right at "Iskra-Delta" when they say that reliance on our own knowledge and stimulation of its development are the most reliable. In fact all of our other producers and assemblers of computers also probably think that their technological and business policy is the only right one.

It seems, however, that we still do not have a computer in the country that could unravel our computer entanglement and spit out a formula that would turn the "computer war" being waged on our soil mainly to our own benefit.

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**DATE FILMED**

17 March 1988